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East Europe Report



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10 APRIL 1987

EAST EUROPE REPORT

CONTENTS

AGRICULTURE

GERMAN DEMOCRATIC REPUBLIC

- Chamber of Technology Discusses Agrochemical Developments
(H. Duennebeil; AGRARTECHNIK, No 1, Jan 87) 1
- Application of Agrochemicals Subject to Stricter Control
(K. Kaempfe; AGRARTECHNIK, No 1, Jan 87) 4

ECONOMY

BULGARIA

- Report on Successful Cooperation With Foreign Enterprises
(NARODNA ARMIYA, 2 Feb 87; OTECHESTVEN FRONT, 30 Jan,
4 Feb 87) 7
- Cooperation With Soviets in Manufacturing, by
Mladen Bochev 7
- 'Bulgarlizing' Import-Export Improving, by Petur Petrov 9
- Economic Cooperation With Sweden, by Andrey Zhelyaskov 10
- High Technology Enterprises Reorganized
(DURZHAVEN VESTNIK, 20 Jan 87) 11
- New Economic Trust Established
(Radostina Konstantinova; OTECHESTVEN FRONT, 4 Feb 87) 14

GERMAN DEMOCRATIC REPUBLIC

- Leipzig Fair Offers Opportunity for New Capital Improvements
(FRANKFURTER ALLGEMEINE, 2 Mar 87) 15

Computer Technology Said No Serious Threat to Cooperation (Heidrun Radtke; TRIBUNE, 6 Feb 87)	17
Outmoded Telecommunications Inhibit Application of Computers (Hans Herbert Goetz; FRANKFURTER ALLGEMEINE, 24 Feb 87)	19
Lignite Exploitation Supersedes Desire To Combat Pollution (DER SPIEGEL, No 7, 9 Feb 87)	21

HUNGARY

Joint Enterprises, Direct Cooperative Venture With Soviets (Various sources, various dates)	24
Joint Engineering Enterprise	24
Joint Energy Industry Enterprise	25
Direct Auto Parts Cooperation	25
Background, Regulations, Procedures, Mihaly Patai Interview	26
Leading Economic Journal Comments on CEMA Integration (Andras Domany; HETI VILAGGAZDASAG, 15 Nov 86)	30
Private Sector: Taxes Revised, Business Organization Convened (Various sources, various dates)	37
Increases, Decreases in Taxes, by Andras Deak	37
Private Sector Organization Convened	38
Delegates Discuss Achievements, Problems	39
Minister of Industry Speaks	40

POLAND

Economic Society President Plenum Speech on Reform (Zdzislaw Sadowski; POLITYKA, No 4, 24 Jan 87)	43
'Budimex' Contracts in Iraq Discussed (ZYCIE WARSZAWY, 20 Jan 87)	48
Ministry Study of Families' Economic Situation Debated (Grazyna Smulski; ZYCIE GOSPODARCZE, No 50, 14 Dec 86)	49
History of 'Interpegro' Success, Demise Reviewed (Slawomir Darzycki; GLOS ROBOTNICZY, 5 Jan 87)	55
Food Wastage Deplored in Light of Fodder Shortage (Jerzy Nogiec; GAZETA LUBUSKA, 26 Nov 86)	59
Opinion Poll Measures Public's Debt Awareness (POLITYKA, No 1, 3 Jan 87)	62

Domestic VCR Production Prospects (KURIER POLSKI, 4 Dec 86)	64
Video Equipment Market Surveyed (TRYBUNA LUDU, 24-25 Jan 87)	66

POLITICS

GERMAN DEMOCRATIC REPUBLIC

Civil Defense Training Called College Teachers' Obligation (Renate Schaum, Karl Larsen Suttner; DAS HOCHSCHULWESEN, No 2, Feb 87)	69
-----------------------------------------------------------------------------------------------------------------------------------------------	----

HUNGARY

Regime Takes Minority Problem to Vienna CSCE (FRANKFURTER ALLGEMEINE ZEITUNG, 6 Mar 87)	76
Kadar's New Book, 'Renewal of Socialism in Hungary' Reviewed (Erno Lakatos; NEPSZABADSAG, 7 Nov 86)	78

POLAND

Soviet Front Student Group on Goals, Manuevers (Josef Skala Interview; SZTANDAR MLOGYCH, 83)	83
ZSMP Commission To Strengthen Youth Patriotism, Defense (TRYBUNA LUDU, 17 Dec 87)	86
Lomza PZPR Committee, Youth Groups Discuss Youth Issues (GAZETA WSPOLCZESNA, 4 Feb 87)	88
Public Affairs Activities of Interior Ministry Highlighted (Zbigniew Pudysz; NOWE DROGI, No 3, Mar 86)	90
PRON's Dobraczynski on Social Issues, Work Ethic (Jan Dobraczynski Interview; SLOWO POWSZECHNE, 16- 18 Jan 87)	93
OPZZ Deputy on 'Independent' TU's, CRZZ Comparison (Romuald Sosnowski; SZTANDAR MLODYCH, 19 Nov 86)	99
Consultative Council Member Discusses Adviser Role (Janusz Tymowski Interview; SZTANDAR LUDU, 2 Jan 87)	102
Change in Personal Identity Card Proposed, Evaluated (RZECZPOSPOLITA, 16 Dec 86)	105

Writers Union Party Organization Meeting Reviewed (Leszek Zulinski; KULTURA, No 40, 1 Oct 86)	107
Press, Personnel Changes, Media Developments November 1986 (PRASA POLSKA, No 1, Jan 87)	111
Commentary on Importance of Opinion Surveys (Klakson; SZPILKI, No 9, 26 Feb 87)	115
Briefs	
'Democracy' Requires Active Participation	118
Jelenia Gora Deputy Voivod Named	118
Armed Attack on Pharmacy	118

YUGOSLAVIA

Romania Seen Lagging in East Bloc Reform (Mirko Galic; DANAS, 10 Feb 87)	120
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CHAMBER OF TECHNOLOGY DISCUSSES AGROCHEMICAL DEVELOPMENTS

East Berlin AGRARTECHNIK in German Vol 37 No 1, Jan 87 p 3

[Article by Dr. H. Duernabeil, KDT: "Sixth Scientific-Technological Meeting of the Scientific Section 'Chemical Applications in Plant Production'"]

[Text] The 6th Scientific-Technological Meeting of the Scientific Section (WS) for "Chemical Applications in Plant Production" of the Chamber of Technology (KDT) took place on Sept. 16-17, 1986 in Halle, with more than 300 participants from agrochemical centers, agricultural production cooperatives, the VEB District Enterprise for Agricultural Machines and Plants, institutes, universities and technical schools and industry. Under the theme of "Technology and Rationalization in the Application of Agrochemicals," the event was headed by the new chairman of the WS, Dr. K. Kaempfe.

The manifold problems, insights and tasks related to this theme were dealt with in the following categories:

- technology and application of chemical fertilizers
- plant protectants and rationalization measures
- production and utilization of organic fertilizers
- liquid fertilizers and combination of agrochemicals
- maintenance.

In the keynote address, graduate agriculturalist Braun, Ministry for Agriculture, Forestry and Foodstuffs, stressed the increasing responsibility of agrochemistry in the intensification of plant production in accordance with the 11th Party Congress of the SED, where agrochemicals in particular must be utilized more consciously for the replenishment of soil fertility. The demands placed on the agrochemical centers (ACZ) thereby become even more complex in nature. These demands can only be met when cooperation is intensified between the ACZs and their plant production enterprises. The speaker explained that as a result of the goal-oriented and economic use of resources, specific expenditures for nitrogen-based fertilizers decreased between 1981 and 1985 from 2.8 to 2.3 kg/dt GE and that similar decreases were achieved for phosphorus and potash as well. At the same time, a high yield was achieved as the result of the use of farm-produced organic fertilizers, which meet about 50 percent of nutrient requirements at the present time. An additional increase of 20-25 percent must be achieved by 1990.

The agrochemical output of the ACZs has remained constant in recent years, accounting for about 83 percent of nitrogenous fertilizers and 84 percent of

plant protectants. An expansion in agrochemical output is to be expected in the coming years with the increased effectiveness of the ACZs in the realization of complex measures for the replenishment of soil fertility and with sought-after solutions in the combination of fertilizers with soil cultivation and seed, as well as the combination of various agrochemicals.

In the category of chemical fertilizers, Dr. Jaeschke of the Institute for Fertilizer Research, Leipzig-Potsdam, reported on the experimental testing of the new tractor-hauled chemical fertilizer spreaders D036, D037 and D038, which use from 30-40 percent less fuel compared with existing technology, and which have a large volume capacity and work range.

Graduate agricultural engineer Viehweg, ACZ Grosssteinberg, used the example of his enterprise to provide extensive information concerning the effects of the quality of chemical fertilizers on the size of the crop yield. The ACZ ensures a high level of work quality in the area of chemical fertilizers through a number of measures concerned with production preparation, campaign planning, technical-functional preparation of the spreaders and quality control, with particular attention paid to spread precision, as well as through the close collaboration between ACZs and LPGs.

In the report presented by graduate engineer Rump, Central Testing Office for Agricultural Technology, Potsdam-Bornim, participants were informed about the testing of the new plant protectant machine Kertitox Global-M, which like the Kertitox 20/18-M is also suitable for liquid fertilizing, and Kertitox K20/18-F, which will be available after 1987, replacing Model K20/18, as well as on modernization measures with regard to existing plant protectant machines.

With regard to the subject of plant protection technology, a talk on rationalization measures was given by Dr. Zschaler, and Dr. Kaul spoke on inspection and control instruments; both are from the Institute for Research on Plant Protectants, Kleinmachnow. Graduate engineer Lamfalusi, Agricultural Machine Factory Mezőegyhézi Debrecen, a guest from the PR Hungary, also spoke on this topic.

In response to a finding of the 5th Scientific and Technological Meeting of the Scientific Section, for the first time lecture topics concerning the production and use of organic fertilizers were included. Dr. Reinhold, VEB WTOZ Organic Fertilizers and Peat Gross, Kreuz, district of Potsdam, spoke on this subject. In a lecture concerning methods of preparing solid fertilizers from liquid manure and straw in the LPG (T) Wegeleben, district of Magdeburg, it was shown that the content of solid manure approximates that of stable dung in terms of organic substances and plant nutrients. However, it was also pointed out that the application of this method is only justified economically in certain special locations.

The output of solid organic fertilizers has been carried out by the ACZ Altruppin, district of Potsdam, in increasing quantities since 1983, in cooperation with six agricultural enterprises. In 1985, one brigade spread 77.8 kt of organic fertilizers on an area of 1500 ha with five spreaders Model T088 and one loader Model T174.

The category of liquid fertilizers and the possibilities of the combination of AHL with other agrochemicals met with particular interest on the part of the participants because of expectations based on actual experience and the increasing availability of ammonium nitrate-urea solutions (AHL). In his lecture entitled "Greater Efficiency in Plant Production through the Combination of AHL with Other Agrochemicals," Dr. Linke, Central Office for Application Research (ZAF), Cunnersdorf, of the VEB Combine Agrochemistry Piesteritz, reported on the research that has been carried out by the ZAF Cunnersdorf since 1980. In accordance with these findings, two- and three-fold combinations of AHL with plant protectants (PSM) as well as means for the regulation of biological processes (MBP) are possible in grain as well as in potato production. Savings of 0.2 AN/ha and 0.9 l DK/ha were achieved on average. Dr. Panick, ACZ Jessen, reported on "Experiences Gained in the AIV Jessen in the Application of AHL."

Graduate agriculturalist Liefeld, VEB Equipment ACZ, Leipzig, spoke on TUL processes in the application of liquid agrochemicals. He discussed present possibilities for transportation and storage of AHL, but also the problems that still exist regarding the availability and utilization of corresponding technology.

In contrast, participants at the conference learned from the lecture "Transportation, Handling, Storage and Application of Liquid Chemical Fertilizers in the PR Czechoslovakia" given by Dr. Saidl, Research Institute for Agricultural Technology, Prague, that Czechoslovakia has a considerable head start over the GDR in this area.

Storage tanks of enameled sheet metal, which are positioned above ground in the form of batteries, as well as storage tanks made of fiberglass-reinforced plastics are now being assembled on production lines. Trucks equipped with mounted containers and tank semi-trailers are available, with exchangeable containers which can be stored at the agricultural enterprises. Self-driving machines for fertilizer applications are under development.

The 6th Scientific-Technological Meeting of the Scientific Section "Chemical Applications in Plant Production" of the KDT has identified the following priorities, among others, for its future work: -assisting in the development of work groups for science and technology in the ACZs -affecting and assisting the development of auxiliary components for the control and regulation of fertilizer spreaders and plant protectant machines -participating in the rehabilitation of chemical fertilizer storage sites -bringing influence to bear on the creation of storage capacities for AHL.

Since not all of the talks presented at the 6th Scientific-Technology Congress of the WS "Chemical Applications in Plant Production" can be discussed in detail within the framework of this report, selected contributions are printed in the following pages of this volume of AGRARTECHNIK.

12792

CSO: 2300/189

APPLICATION OF AGROCHEMICALS SUBJECT TO STRICTER CONTROL

East Berlin AGRARTECHNIK in German Vol 37 No 1, Jan 87 p 4

[Article by Dr. K. Kampfe, KUT: "Chemical Applications in Facts and Figures"]

[Text] The use of chemicals in plant production has undergone a rapid development in the GDR and has achieved a high level of expertise. This applies both to the use of chemical fertilizers and of plant protectants as well as to the technologies of chemical fertilizing and plant protection.

While in 1965, approximately 156 kg of pure nutrients in the form of N, P, K were utilized per ha LN, this quantity rose by 1985 to about 200 kg per ha LN. Of this, nitrogenous fertilizers account for the major portion, or about 68 percent of the total.

Considerable development also occurred in the preparation of plant protectants. While about 8,200 t of active agents were utilized in 1965, this figure rose threefold by 1985 to about 26,700 t.

Over the course of the last 15 years, the annual fertilized surface area in the GDR rose from 11.7 million to 13.7 million ha. This increase applies exclusively to the area fertilized by nitrogenous substances. It can be attributed above all to the consistent allocation of nitrogen applications to winter grain crops. Together with the gradual transition to computerized inventory management in the period to 1995, a further increase in surface area fertilized by nitrogenous fertilizers is expected from the present figure of 9.3 million ha to 12.6 million ha, which will be due especially to the further increase in multiple allocations of nitrogenous substances to grain. This will lead to increased demands regarding the development and availability of appropriate techniques of fertilization and the modernization of techniques presently being used.

In the area of plant protection, the annual treated surface ranges from 7.4 million to 9.8 million ha, depending on the situation with regard to the cause of damage to crops. The major portion of the various types of works related to this are accounted for by the application of herbicides at an average of 3.8 million ha and the application of fungicides. An increase in the annual requirements to about 10.2 million ha is expected in the area of plant protection as well, in connection with inventory management in the period to

1995. This increase is predicted, although on the one hand, a decrease in certain types of work could occur only after critical threshold values have been passed as the result of the introduction of prognostic models for the occurrence of pests and diseases and for the more consistent implementation of methods of treatment as, for example, the combatting of plant diseases; on the other hand, such types of works as treatment of mildew and rusts or the use of methods of biological process control will increase considerably.

The agrochemical centers (ACZs) of the GDR account for about 85 percent of the work involved in the implementation of chemical applications in the area of chemical fertilizers and of plant protection, with the LPGs and VEGs accounting for about 15 percent. Thus when the future increase in requirements related to performance and quality, the increasing adaptability and flexibility and the changing time frames for treatment or fertilization are also taken into account, the ACZs are largely responsible for the application of chemicals in plant production. In order to carry out these chemical applications, the ACZs have both a high level of trained manpower as well as long years of experience and a serviceable inventory of machines for fertilizing and plant protection, which are good pre-conditions for meeting increasing demands, in consideration of the further intensification of cooperation with their agricultural production enterprise. At the present time, more than 2,000 truck-mounted spray tanks Model D032 are available to carry out PK fertilizing and applications of lime, and there are over 2,500 truck-mounted sprayers Model D035 for the application of nitrogenous fertilizers. The future requirements projected from inventory management call for a further increase in the number of nitrogenous sprayers and/or a decrease in the surface area sprayed with nitrogenous fertilizers per sprayer. In the area of plant protection, about 5,500 trailer and semi-trailer vehicles as well as truck sprayers and about 800 pieces of equipment of the S series are available. Finally, there are over 200 agricultural airplanes available to carry out both of these tasks.

Taking into consideration the fact that with the simple reproduction of application technology an improvement in model design and a modernization within the framework of maintenance must increasingly occur or be achieved, no basic capacity problems are anticipated into the 1990's with regard to quantitative demands in meeting the output requirements in the areas of fertilizers and plant protectants. However, this does not apply to techniques of nitrogenous fertilization. Here it must be assumed that the qualitative demands on fertilization and plant protection technologies will increase considerably. It will be necessary to address such questions as the control and supervision of function as well as the constant provision of information to the mechanization assessment specialist concerning critical functions which influence parameters of work quality and performance, in research together with the agricultural machine industry, and to develop corresponding auxiliary components which should be gradually introduced into actual practice, hand in hand with the modernization and technological perfecting of available application machines. As a result of inventory management and inventory control, auxiliary components and instruments for fertilizer spreaders must be developed to control the amounts of specific nutrients spread over subdivisions of an entire field, which will make it possible to make unlimited quantity adjustments while the vehicle is in motion. In order to meet the

requirements of environmental protection, the development of spreaders equipped with instruments to limit the range of spread and to exclude the spraying of paths, roadways, edges of fields and drainage ditches is imperative. The maintenance of a constantly high level of work quality and precision in distribution make function control and supervision necessary for all machines used to spread chemical fertilizers and plant protectants. This must also include providing the mechanization specialist with needed information concerning such parameters as the quantity of substance applied, container capacity, vehicle speed, surface area treated, the RPM of fertilizer broadcasters, functioning of the nozzles, etc. Dealing with these questions also poses an exacting task for members of the NDT [Chamber of Technology] in the enterprises and scientific facilities, the successful solution of which will require extensive initiatives and ideas as well as cooperative collaboration on the part of many disciplines involved in mechanization and agricultural research.

12792

CSO: 2300/189

REPORT ON SUCCESSFUL COOPERATION WITH FOREIGN ENTERPRISES

Cooperation With Soviets in Manufacturing

Sofia NARODNA ARMIYA in Bulgarian 2 Feb 87 p 4

[Article by Mladen Bochev: "NPO [Scientific Industrial Trust] "Ivanovo--ZMM [Metal Cutting Machines Plant], Sofia. Scientific and Manufacturing Cooperation for the Future"]

[Text] "We will go side by side with our Soviet brothers as we have done up to now under any conditions in the struggle for peace, to strengthen the harmony, solidarity, and might of the socialist society, to strengthen class solidarity in the international communist and workers movement, and in the struggle for communism."

(From the report of the BCP Central Committee at the 13th Party Congress)

The execution of the long-term program for scientific technological collaboration between the USSR and the NRB [Bulgarian People's Republic] until the year 2000 is already a reality and one of the three Bulgarian-Soviet scientific and manufacturing trusts "Ivanovo--ZMM--Sofia" has given the first results of joint work on flexible manufacturing systems (FMS).

Facts:

Over 60 economic agreements.

Over 56 percent of all our foreign trade commodity transactions are with the USSR.

Two Bulgarian-Soviet scientific manufacturing trusts have started to work together: The plants "Beroe" and "Krasniy Proletariy" for industrial robots and manipulators, and ZMM--Sofia and the trust "Ivanovo" for flexible manufacturing systems (FMS).

More than 200 Soviet and 100 Bulgarian scientific, research design, and construction organizations are working on 400 problems of theoretical and applied nature.

1,800 Bulgarian industrial teams participate in the movement "Workers' Pledge for Quality Production for the USSR."

Over 2,000 Soviet and 1,550 Bulgarian collective labor groups participate in the international competition.

15,000 "Moskvich" automobiles are assembled each year in Lovech using Soviet parts and junctions.

More than 30 types of Bulgarian electronics and electrotechnical products satisfy the USSR's needs such as electric micromotors, ATTs [Dial Telephone Exchange], devices for control and regulation of technological processes and others.

Tens of thousands of enterprises have been built in the USSR and the NRB with joint efforts.

The presently functioning and the newly constructed machine building enterprises in the Ivanovo Oblast and the Bulgarian economic trust "ZMM--Sofia" have joined this first-of-its-kind international trust for science and industrial manufacturing. The collaboration between Soviet and Bulgarian machinery constructors started 6 years ago. At that time there was sufficient experience accumulated which permitted the transition to a new level of economic and scientific relations between the enterprises.

During these years of scientific and manufacturing cooperation, specialists, equipment, and scientific-technical information were exchanged. As a result of joint activity, a Bulgarian multioperational machine, prototype of the later developed manufacturing centers was installed in one of the shops at the Ivanovo plant.

With the development of the international scientific and manufacturing trust it became possible to specialize plants, organize machine parts assembly, and exchange supplies on a much larger scale.

The new conditions and requirements for work have given their first results. Above all, the responsibility and creative approach and methods of work were sharply improved by the workers and specialists according to new party requirements. Contracts were signed between party, trade union, and Komsomol organizations of the two fraternal enterprises for their future joint activities. Three manufacturing brigades, leaders in manufacturing from Bulgaria and the Soviet Union challenged each other to a noble competition.

As a result of joint activity, two centers for manufacturing of complex machine parts were established in a short period of time, receiving an exceptionally high evaluation from specialists. Their construction was accomplished according to Soviet information based on original Bulgarian technology in "ZMM--Sofia." The final testing of one of them: "IS500" is completed and its implementation is pending, while the second one is in the process of being tested.

The advantages of this technology are obvious. It sharply increases work efficiency and permits rapid production reorganization without waste. This is the best way to bring production to an international level.

Namely here is the essence of the improved nature of the processes of the all-embracing friendship and integration between our countries and peoples.

'Bulgarlizing' Import-Export Improving

Sofia OTECHESTVEN FRONT in Bulgarian 30 Jan 87 p 3

[Article by Petur Petrov: "Bulgarlizing" [Bulgarian Leasing] is progressing. A new name on the international market. A respected and sought after partner of many firms]

[Text] There is a new name in our economic and commercial manual: SD "Bulgarlizing." The year since its foundation has barely gone by and it is already popular and sought after by the best known firms in Europe, Asia, and America.

Well known firms from the most developed socialist and capitalist nations make business contacts with it. A number of contracts have been signed for the supply of technology and equipment for our country. For our trusts Metalhim, Balkankar, Elektron, and others, for example. The first machines and equipment have been delivered for the trust Valentina. For illustration only, I will point out that Bulgarlizing's partners are the Japanese firms Mitsubishi Corporation, Japan Leasing, Tokyo Maruichi, Komatsu, and Sudu, the Austrian "Ostreichelzing" [name transliterated], the Swiss Industrial Leasing, the French Societe General, the English "Burturgreb" [name transliterated], and others. Many firms from the USA and Latin America are also showing interest. The agreement with "Burturgreb", for example, is bilateral. Bulgarlizing will import English machines, equipment, and technology and the English firm will import the corresponding Bulgarian products. The Hungarian leasing bank has proposed to Bulgarlizing a program for joint activity in the international market.

The basic task of Bulgarlizing is not only to import from foreign countries, but also to export and lease Bulgarian equipment, apparatuses, and technology. A number of our products of the machinery building industry are on a high level and are sought after by many countries. For this reason the agreements of Bulgarlizing take into account their exportation.

The future is bright and the benefit of Bulgarlizing's activities is more than obvious and necessary for the nation's economy. As long as there is understanding on the part of our corresponding institutes to overcome local allegiances and divisional interests to give Bulgarlizing the opportunity to exercise all of its rights as granted by the decision of the Council of Ministers.

Economic Cooperation With Sweden

Sofia OTECHESTVEN FRONT in Bulgarian 4 Feb 87 p 3

[Article by Andrey Zhelyaskov: "Economic Cooperation. Bulgaria--Sweden"]

[Text] The economic ties between our country and Sweden have a good and long-standing tradition. A delegation of 25 prominent representatives of Swedish business circles led by Mr. Thorbjorn Ek [last name transliterated], chairman of the group Hexagon and chairman of the committee on stimulating trade between Bulgaria and Sweden, visited Bulgaria during the first week of February (from the 2d to the 6th). BISA [Bulgarian Industrial Management Association] and the Committee for stimulating trade between Sweden and Bulgaria organized the meeting between leading Swedish firms and our economic organizations.

The names of the Swedish firms ACEA, Atlas Kopko, Erikson, Prokordia, Tetra Pak, Alfa-Laval and others are well known to various specialists from Europe and the world. Their representatives, who are now in Bulgaria, are showing interest in the manufacturing and technological capabilities of our industry. A good example of cooperation is the Bulgarian-Swedish association Almagon created more than a year ago.

The program for the guests includes visits to various enterprises of the country in addition to meetings with economic leaders.

Undoubtedly, the already tradition... ss weeks between our two countries will help widen the already existing economic ties and will promote and uncover new ways and areas for economic contacts between Bulgaria and Sweden.

13211/5915

CSO: 2200/60

HIGH TECHNOLOGY ENTERPRISES REORGANIZED

Sofia DURZHAVEN VESTNIK in Bulgarian 20 Jan 87 pp 2-4

[Regulation No 1 of the Bureau of the Council of Ministers of 9 January 1987 for the formation of the association "Electronics" and for the formation and reorganization of economic trusts, economic conglomerates, and institutes]

[Text] The Bureau of the Council of Ministers Ruled:

Article 1. (1) Approves the formation of the association "Electronics", with main office in Sofia, for implementation of unified technological, research, and commercial policy and for coordination of joint activity of its members aiming for priority development and production of automated technological and cybernetic systems for the administration and organization of common interest activities.

(3) In addition to its functions according to Article 23 of the Instruction Manual on Economic Activity, the association "Electronics" is to also have administrative functions in the coordination and control of the implementation of national programs in the field of electronics, computerization, and the integrated automation and cybernetization of production and management.

Article 2. Reorganized starting 1 January 1987 are:

1. the economic trust "Electronic Materials and Construction Elements" into the economic trust "Materials and Construction Elements for Electronic Equipment," a corporation with main office in Sofia and purpose: to organize in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of specific materials and construction elements used in specialized electronic equipment;

2. the conglomerate "Microelectronics" into the economic trust "Micro-electronics," a corporation with its main office in Botevgrad and its purpose as follows: to organize, in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of micro-electronic elements and nodes used in specialized electronic equipment, as well as chemicals used in microelectronics;

3. the conglomerate for microprocessing equipment into economic trust "Microprocessing Systems," a corporation with its main office in Pravets and its purpose as follows: to organize, in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing, as well as engineering and marketing in the field of personal and professional microcomputers and basic electronic devices and nodes for them, microprocessing modules and microprocessing systems, including systems for regulation of technological processes;
4. the conglomerate "Izot" for disk memory devices and magnetic media into economic trust "Disk Memory Devices," a corporation with its main office in Stara Zagora and its purpose as follows: to organize, in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of disk memory devices, information media, and specialized technological equipment;
5. the conglomerate "Izot" for electronic equipment and tape memory devices, into economic trust "Peripheral Equipment," a corporation with its main office in Plovdiv and its purpose as follows: to organize, in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of electronic equipment, magnetic tape memory devices, other peripheral equipment, and specialized technological equipment;
6. the conglomerate for radiotechnological apparatuses into the economic trust "Consumer Electronics," a corporation with its main office in Veliko Turnovo and its purpose as follows: to organize in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of consumer and other electronic equipment.

Article 3. Formed starting 1 January 1987 are:

1. the economic trust "Integrated Automation of Technological Processes," a corporation with its main office in Sofia and its purpose as follows: to organize, in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of integrated systems for automation of technological processes, technological equipment for the construction of integrated automated systems, software for the needs of the computerized processes of conventional, specialized, and precision metal-processing machines. The trust is formed on the basis of the economic trust "Metal Processing Machines and Robots," enterprises and conglomerates of the economic trust "Instrument Construction and Automation," conglomerate "Integrated Assembly Automation," corresponding divisions of the Inst' te on Electrical Industry "N. Belopitov," the enterprises of conglomerate "Warehouse Equipment and In-Plant Transportation," Conglomerate "Technotronics," conglomerate "New Machinery Construction Technology--TsMI," the technology center "TsNIKA," and enterprises of the economic trust "Elprom;"

2. the economic trust "Information and Communication Systems," a corporation with its main office in Sofia and its purpose as follows: to organize in the country and abroad, activities related to scientific research, application, design, construction, implementation, manufacturing; as well as engineering and marketing in the field of integrated information and communication systems, computer aided manufacturing systems in the manufacture of materials, equipment for cybernetic regulation systems, systems on the basis of integrated computer, transfer, and communication technology, systems for automated workshops, and specialized software for information and communication systems. The trust is formed on the basis of the enterprises, conglomerates, and institutes of the economic trust "IZOT," Sofia and enterprises, conglomerates, and institutes of economic trust "RESPROM," Sofia;

3. the economic conglomerate "Elektroinvest," a corporation with its main office in Sofia and its purpose as follows: to organize in the country and abroad, activities in the field of design, engineering, and marketing of electronic industry and computer center projects. The conglomerate is formed on the basis of engineering enterprise "Izotsrtoykomplekt" and the Integrated Institute for Research and Development "Elektroproekt;"

4. the Institute on Informatics, Integrated Automation, and Systems, a corporation with main office in Sofia and its purpose as follows: to organize activities related to scientific research, design, construction, and implementation in the field of informatics, integrated automation, and the strategic development of electronics. The institute is formed on the basis of corresponding divisions of the Central Institute on Computer Technology and Methods, the Technological Center "TsNIKA," and the Institute on Communications Industry.

Article 5. Closed starting 31 December 1986 are:

1. the economic trust "IZOT," Sofia;
2. the economic trust "RESPROM," Sofia;
3. the economic trust "Instrument Construction and Automation," Sofia.

Article 6. The enterprises of the newly formed or reorganized economic trusts and economic conglomerates are to be formed, reorganized, or closed by 31 January 1987 by the Economic Council of the Council of Ministers according to the Manual on Economic Activity.

Article 7. (1) The newly formed economic trusts, economic conglomerates, and institutes are to assume the assets and liabilities of the 31 December 1986 balance sheets of the organizations on the basis of which they were formed, as well as their other rights and responsibilities.

Chairman of the Council of Ministers: Georgi Atanasov

First Secretary of the Council of Ministers: Ivan Shpatov

13211/5915

CSO: 2200/47

NEW ECONOMIC TRUST ESTABLISHED

Sofia OTECHESTVEN FRONT in Bulgarian 4 Feb 87 p 3

[Article by Radostina Konstantinova: "Plasthim --a New Economic Trust"]

[Text] The establishment of some of the economic trusts joining the formation of association "Biotechnological and Chemical Industry" was started this week. The initial step was made yesterday in Botevgrad with the formation of SO [Economic Trust] Plasthim. The trust will have scientific, applied, design, construction, manufacturing, commercial, and engineering functions in this country and abroad. It will secure polymers and biological products for industry and consumer needs by combining biological and chemical technological methods for their processing.

The Chemical Combine in Botevgrad, combine "Petur Karaminchev" in Ruse, Combine for Reconstruction Polymers in the city of Elin Pelin, the plant "Kom" in Berkovitsa, the plant for construction products in Botevgrad, and others participate in the formation of the economic trust.

13211/5915

CSO: 2200/60

LEIPZIG FAIR OFFERS OPPORTUNITY FOR NEW CAPITAL IMPROVEMENTS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 2 Mar 87 p 13

[Text] Berlin, 1 Mar--The upcoming Leipzig Spring Fair (15 through 20 March) promises to be more interesting than many of its predecessors--in both political and economic terms. The planned talks between Secretary General Erich Honecker and West Berlin Mayor Eberhard Diepgen could potentially provide information on Diepgen's participation in the GDR state celebration of Berlin's 750th anniversary. On Monday, 16 March, the leader of the Permanent Representation of the FRG in the GDR, State Secretary Otto Braeutigam, is giving a reception in honor of FRG Minister for Economics Bangemann; the Westdeutsche Landesbank has similarly issued invitations to a gathering on Sunday in the Merkur luxury hotel. One thing that is certain is that Gorbachev's new policy will be the focus of many discussions at the Leipzig fair. Within the SED as well, this subject is constantly discussed, especially now that the population has been fully informed about Gorbachev's economic and political ideas and is awaiting an "official" reaction from the SED.

Around 9,000 exhibitors are again expected at the Leipzig Spring Fair. After the host, the FRG and West Berlin constitute the largest contingent, with a good 800 exhibits. The number of group participants has continued to rise. The 1987 Leipzig Fairs were broken down into branches of industry and business. The exhibition outline at the spring fair includes nine exhibit complexes for capital goods and seven for consumer goods. The theme of the fair is "Food--Effective Production and Processing."

In East German industry, there is a major lag in investments for maintenance and modernization, which has had to be put off in recent years; if West German companies target this need, they can count on good business opportunities. This is being pointed out by the German Industry and Trade Congress (DIHT). In 1986, primarily because of the decline in the price of crude oil on the world market, turnover in German-German trade sank by 8 percent to 14.2 billion clearing units (DM). However, DIHT points out that West German companies were able to register a significant upward push in deliveries of capital goods; these deliveries rose by 40 percent to almost DM 2 billion.

Modernization orders went primarily to West German machine suppliers in the areas of textiles, clothing, wood and the glass industry. The GDR is

investing in particular in areas that will strengthen its own exports. Thus, by acquiring textile machinery, it is arming itself for an increase in sales of textiles and clothing in the FRG. DIHT stated that supply is still not flexible enough to adjust to the changes in fashion trends. The GDR was unable to hold on to the shares of the market that it accrued in West German department stores and in the mail-order trade while the dollar was high and the Southeast Asian markets were empty.

12271

CSO: 2300/201

COMPUTER TECHNOLOGY SAID NO SERIOUS THREAT TO COOPERATION

East Berlin TRIBUNE in German 6 Feb 87 p 5

[Letter submitted to editors of TRIBUNE, official trade union daily, by Dr Heidrun Radtke in response to the question "What Do We Make of the New Technology? / Do Collective (Labor) Relations Suffer as a Result of Automation?"]

[Text] During the discussion the opinion was expressed that new technology hinders the development of collectivity, communication among colleagues is diminished and trade union work thereby made more difficult. These considerations can not be rejected out of hand, since it is true that in modern production sectors, workplaces are often separated from each other and visual contact between colleagues is decreased. In this regard, experts speak of a "social thinning" of space. But does this divergence automatically mean less cooperation and mutual assistance, less opportunity to exchange experiences and to talk things over with one's colleagues?

Social Contacts Preserved

From the viewpoint of sociological research, three counter-arguments can be raised in this regard. First: comradely cooperation and everything that belongs to the work collective within socialism are not necessarily linked to "physically close" cooperation. No one would deny, for example, that collectivity exists among street car operators, saleswomen and teachers, although the places where these people work are rather isolated and during the course of the working day, viewed purely in terms of time, they have much more contact with other people than with their own colleagues.

Second, conditions that can encourage and impede communication exist both under the most technologically advanced as well as under less advanced production conditions. One need think only of the noise level in foundries and forges or the strictly segmented operations of work on an assembly line, which offer little opportunity for the exchange of ideas during working hours. On the other hand, the isolation of workplaces, for example in flexible machine systems, can of course cause a loss of contact between workers; at the same time, however, new possibilities emerge for cooperation between skilled workers and engineers.

Third, communication need not necessarily diminish with the new technology; it takes on other contents, forms and temporal structures. For example, while at CAD/CAM work stations the individual works more for himself alone in direct contact with the computer, in the phases prior to and after computer time, social contacts and communication increase. It would be possible to include union work during these phases of work. In the case of workers in flexible machine systems, this can be exactly reversed. When it "is running," time and opportunity for conversation exist.

Social nearness does not depend primarily on spatial proximity, concrete forms of communication or material and technological conditions, but rather on the common will of a collective to make its work as effective as possible, and on the way in which each individual always correctly assesses the impact of his own work on the overall performance of the collective. Another decisive factor is the activity of management, the way in which communication and cooperation are consciously designed, an area in which the trade unionist also bears a high degree of responsibility today. Even under the most difficult production conditions, such as exist for example in cleanrooms, social contacts are preserved when a real effort is made to seek them out and to organize them on the part of management.

Collectivity is not lost as a result of the new technology, it is changed. These changes do not affect simply how and when we can talk with each other; it also changes the social relationships themselves, the people who relate to each other, whose feeling of coherence constitutes collectivity. New social relationships are developed. Above all, collectivity develops within a shift, for example between operational and repair personnel, between the users of systems, installers and shift engineers. Cooperation develops between collectives which introduce and those which use the new technology; the relationship also changes between basic collectives and those formed on an ad hoc basis to carry out a certain task, so that in the future, not only the brigade, but the entire enterprise collective will take on importance as a "home" collective for the individual.

Flexibility Is Required

All in all, the new technology brings a new dynamism into the development of the work collective. We should not regard this as an impediment, but rather as an opportunity to enrich our social relationships. The work of the trade unions must consciously adapt itself to this dynamic process. Flexibility and new ideas are required here. Does it always have to be a case only of brigade meetings or brigade evenings? Union meetings, social evenings or joint cultural experiences of a "shift team," for example, might be very stimulating and bring a change of pace into the life of the collective.

I would welcome further discussion of this topic. Perhaps there are collectives which have gained good experience with the questions raised here? They should speak up; others might have a chance to learn from their experiences!

12792
CSO: 2300/184

OUTDATED TELECOMMUNICATIONS INHIBIT APPLICATION OF COMPUTERS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 24 Feb 87 p 15

[Article by Hans Herbert Goetz: "The Obsolete Telephone Network of the GDR Inhibits Application of Computers: VEB Kombinat Robotron Produces Computers and Software"]

[Text] VEB Kombinat Robotron, Dresden--It is a key enterprise in the GDR. Next to Carl Zeiss (Jena), the big chemical combines in Leuna or Schwedt, the "7. Oktober" (Berlin) and "Fritz Heckert" (Karl-Marx-Stadt, formerly Chemnitz) machine tool combines or the Kombinat Mikroelektronik (Erfurt), the Kombinat Robotron is among the industrial giants of the GDR, upon whose operations the implementation of the much-cited key technologies is dependent. If Robotron's computers, the necessary software and the so-called peripherals are not available in sufficient quantities and quality, then nothing in the GDR will work any more.

This is new for the GDR. From the famous "Erika" typewriter, which, in either mechanical or electronic model, still enjoys widespread popularity, to data processing equipment: Everything can be found under Robotron's spacious roof. The birthplace of the German office machine industry was in Thuringia, in Zella-Mehlis, Erfurt and Sömmerda, and production is under way there to this day.

Robotron is one of the "old" combines, having been formed in 1969. Just under 70,000 employees work in the 20 enterprises of the combine, of which approximately 45 percent are women. Since 1982, Eng Friedrich Wokurka has headed the combine, after his predecessor was somewhat abruptly dismissed.

At a "presentation" of products, it turned out that the combine, which itself deals with numbers, is highly cautious with even the most modest of findings. A daily production level in industrial goods of approximately 20 million GDR marks means, according to Adam Riese, a yearly production level of some seven billion marks.

With regard to exports, little was said of the fact that two-thirds of the exports to the East go to the USSR and that the exports to the FRG of 30 million marks constitute approximately 40 percent of all exports to the West. Dr Uwe Wulf, first deputy to the director general, together with several of

his colleagues made it clear that more exact figures would not be mentioned; this presumably had to do with the large share of militarily useful equipment.

The demands made by the SED on Robotron have grown steadily in recent years, and it appears, for lack of evidence to the contrary, that output with two-digit growth rates--on personal computers, for example--is not entirely adequate, but does create the preconditions for the technological push that the GDR so urgently needs.

"Theoretically," the planning of a national economy is the ideal task for computers, but the results are modest if, for example, the prices entered in are "false," meaning that they do not reflect shortages. By 1990, the end of the current five-year plan, 85,000 to 90,000 CAD/CAM work stations are to be set up, and 160,000 to 170,000 office and personal computers are to be produced, together with almost 2,000 small data processing units and 660 to 670 electronic data processing installations. All from the Robotron "monopoly." One problem for the use of computers is clearly the outmoded telephone network in the GDR, which would in fact have to be modernized from the ground floor up in order to be able to transmit data rapidly enough; in this sense, the GDR is at best in mid-course on its way to a modern industrial technology.

Box item, p 15

The GDR is apparently watching the increased application of patent protection to the most modern technologies in the Western industrial nations with increasing concern. The GDR magazine STAAT UND RECHT fears losses for GDR industry because becoming a leading force in the world could then become more difficult.

12271

CSO: 2300/201

LIGNITE EXPLOITATION SUPERSEDES DESIRE TO COMBAT POLLUTION

Hamburg DER SPIEGEL in German Vol 41 No 7, 9 Feb 87 p 98

[Text] "Clear sky and sunshine," thus began, with socialist optimism, an article published last Monday in the East Berlin newspaper BERLINER ZEITUNG on the leisure time of GDR citizens, "drew numerous Berliners to the outskirts of the city over the weekend. With temperatures of minus two degrees Celsius and light wind, many people were thinking 'good for skiing and sleighing.'"

At the same time, the West Berlin authorities had already called a Step One smog alarm--in the West the cars were at a standstill, while the East acted as if it had nothing to do with them.

According to information from GDR Minister for Environmental Protection and Water Management Hans Reichelt, there are in fact emergency plans in the GDR for smog. But they are strictly secret. Even the word "smog" has so far only found its way into East German vocabulary through the back door. Officially, the authorities coyly refer in weather reports to "industrial smoke."

According to investigations by environmentalists in the GDR, the smog plan in the East includes only a cutback in the output of harmful substances from large enterprises. In serious cases, these combines are informed directly by the ministry by radio.

Cars are not subject to any effective smog restrictions. Between 65 and 70 percent of the cars in the GDR have two-stroke engines, either "Trabant" or "Wartburg" models, and are thus harmful to the environment. There is only a "Stationary Exhaust Provision," which stipulates that the engine should be turned off when stopping for a long period. However, no one complies with this, and it is not enforced. There are technological reasons for the fact that citizens in the GDR leave their engines running even when stopping in at the baker's.

When an East Berlin environmentalist took a Trabi driver to task last Monday, he simply said, "What should I do, if I turn off the car I don't know if it will start up again."

East Berliners clearly cannot give up their cars, because otherwise East German industry would come to a standstill. The local transit systems have no

"capacity reserves" whatsoever. In addition, the scarce vehicles are in many cases obsolete--a consequence of the SED's list of priorities. Until 1990, the priority problem to be solved is housing, and only then are streets and traffic to be tackled.

Things look no better in the area of industry. Cutting back on production because of smog is unthinkable to the directors of the combines; because of the recent frost, they must use extra shifts to catch up to the plan targets.

A renunciation of the number one source of energy, strongly sulfuric lignite, is not in sight. Instead, an increase in extraction from the current figure of 319 million tons to 335 million tons a year is planned for 1990. Thus, Berlin, Kassel or Hamburg will in the future be suffering even more from the non-desulfurized East German smokestacks when southeast winds prevail.

It will be several years before the first desulfurization facility--ordered in the West--for the Rummelsburg power plant in East Berlin will go into operation. It is intended to remove approximately 30,000 tons of sulphur dioxide--0.5 percent of the total East German emissions of six million tons.

The figure is that high because over the last 10 years a transition has been made almost everywhere in the GDR from low-sulphur hard coal to harmful lignite--the only native source of energy. Even petroleum, which was previously used for heating and for generating electricity, has found another use: export in order to bring in foreign exchange.

Oil refineries were set up in Schwedt and Leuna that were capable of refining oil imported from the USSR practically free of sediment. These "clean oil products" were sold for hard currency: in German-German trade alone, the GDR was able in 1985 to sell this oil for DM 1.7 million.

The citizens of the GDR are feeling the flip side of the coin. Entire sections of Lusatia have become ghost landscapes from the effects of lignite mining; 50,000 people must retreat from the advancing coal in the coming years. And factories belching force pollutants that were supposed to be halted in the 1970s, are still in operation south of Leipzig. Respiratory illnesses are the order of the day among the population.

The crash in oil prices a year ago actually rendered SED energy policy senseless, since scarcely any money is coming in for the products from Leuna and Schwedt. The return to oil would mean significant short-term relief with respect to lignite. Extreme smog situations could be mitigated, as a transition to fundamental solutions: desulfurized power plants, production techniques that conserve energy and environmentally-safe lignite gasification. In addition, effective smog ordinances, like those in the West, are urgently needed.

East German environmentalist groups suggested as early as 1985 that these be issued, in petitions to the SED, to the Ministry for Environmental Protection and Water Management and to the city councils. They received only a few responses, and they were in every case a sort of appeasement: Their concern is certainly admirable, but panic should not be disseminated. The writers of

the petitions could rest assured that the state and party were doing everything necessary--after all, man is the focus of socialism.

The attempts by environmentalist groups to develop private systems of measurement have thus far failed, due to a lack of the necessary technology. This technology could only come from the West. However, if the environmentalists get a soil sample for study in the West, they are committing a criminal act.

Their crime: the transmission of information "suitable for harming the interests of the German Democratic Republic."

12271

CSO: 2300/201

JOINT ENTERPRISES, DIRECT COOPERATIVE VENTURE WITH SOVIETS

Joint Engineering Enterprise

Budapest FIGYELŐ in Hungarian 27 Feb 87 p 1

[Text] Prior to June 30, following the conclusion of various licencing processes, the first Hungarian-Soviet joint engineering enterprise is anticipated to begin functioning. Agreements have already been reached by interested parties concerning issues that necessarily attend the establishment of a joint enterprise aimed at the development, manufacture and sale of high technology installations.

Initiated by the Ministry of Industry, seven founding Hungarian institutions and enterprises will hold a 51 percent share of the interest. These are: the Central Mining Development Institute [KIMFI], the Carbohydrate Industry Research and Development Institute, the Institute of Energy Economy [EGI], the Electrical Power Industry Research Institute [VEIKI], the Iron Industry Research and Development Enterprise, the Lenin Foundry Works, and the Technova Industrial Development Bank. The Soviet Academy of Sciences, Institute for High Temperature Research is the Soviet partner. The Institute employs 400 workers and is internationally recognized for its accomplishments in the field of energetics.

The small staff of the joint enterprise will be based in Hungary. It will function in the form of a limited liability corporation. Its task will be to provide managerial services in energetics and energetic machinery production in the interest of developing technologies and manufacturing installations, as well as to advance the development of research and development efforts by the corporation's members into efficiently marketable technologies and end-products. Their further aim will be the provision of technical and economic organization and management skills for the creation and manufacture of marketable energetics installations, as well as the marketing and sale of the corporation's products.

Joint Energy Industry Enterprise

Budapest MAGYAR NEMZET in Hungarian 24 Feb 87 p 3

[Text] The Technova Bank of the Ministry of Industry, five Hungarian research and development enterprises and one productive enterprise, as well as representatives of the IVTAN institute of the Soviet academy concerned with energy research have decided to form a joint enterprise within the energy industry. The idea of establishing a joint enterprise has emerged already 18 months ago; with the help of Intercooperation Commercial Development Company, Inc., settlement is now in its final stages. The new enterprise that has a managerial character within the energy industry will be formally established prior to June 30, following completion of official licencing processes.

Headquartered in Hungary, the purpose of the joint enterprise will be to assist in the practical application of accomplishments in the development of new technologies, machinery and instruments within the energy industry, and the finding of partners in developmental and manufacturing work. They would monitor and follow the innovative process of new product manufacturing all the way through the sale and installation of these products. The joint enterprise will enter into contracts with respect to individual products.

The initial tasks have been defined. Among them there are applied research projects such as the secondary and tertiary production of crude oil with the help of steam generators, the organization of the production of new measurement and supervisory control equipment for the foundry industry, new ways to produce carbohydrates as well as geophysical instruments. This type of developmental work is at the frontiers of world science and represents peak technology. The joint enterprise also endeavours to sell its products at third world markets.

Direct Auto Parts Cooperation

Budapest FSTI HIRLAP in Hungarian 2 Feb 87 p 3

[Text] The Bakony Works has reached cooperative agreements with the Togliatti automobile factory and with an automobile manufacturer at Zaporozhye. The five-year agreement with the two Soviet manufacturers pertains to joint technical and scientific activities, and to the direct and rapid resolution of cooperative manufacturing tasks. The establishment of this kind of relationship takes place following 16 years of cooperation between Bakony Works and the Togliatti Motor Company. For that many years, Bakony Works has been shipping auto-electric parts from Veszprem to be used in the Lada personal cars. The past relationship, however, involved several intermediaries. The presence of various intermediary organizations slowed down information exchange between the two factories. It has happened that the two factories were delayed in learning about their mutual needs and problems. The direct link was also necessitated by the fact that in addition to the shipment of several million parts from Veszprem to the factory along the River

Volga, Bakony Works has also been engaged in developmental work. For example, the modern ignition switch in the Samara model of Lada is a result of research and development work done at Veszprem, and so is its windshield wiper and electronic ignition system. The latter will be mass produced beginning this year.

The agreement with the Zaporozh'ye works is similar in content. This cooperative relationship is brand new, and calls for the development of new products in its first phase. A new small car model produced by the Zaporozh'ye works will receive its ignition switch and windshield wipers from the Bakony Works.

Background, Regulations, Procedures

Budapest OTLET in Hungarian 15 Jan 87 p 5

[Interview with Mihaly Patai, Deputy Chief, Division of International Finance, Ministry of Finance, date and place not given, by reporter Matyas Klausner: "New Joint Enterprises: the Two Parties Will Share After-Tax Profits in Proportion to Capital Contribution"]

[Text] Last November Hungarian Prime Minister Gyorgy Lazar, and Soviet Prime Minister Nikolay Ryzhkov signed an agreement providing a framework for joint enterprises that may be established by the various industrial and commercial organizations of the two nations. As part of the renewal of the Soviet Union's external economic ties, including CMEA ties, some long-term forms of cooperation, including jointly owned, mixed nationality enterprises, play an important role. This is indicated by the fact that last August some high level determinations and legal provisions emerged in the Soviet Union for purposes of assisting and regulating the establishment and functioning of joint enterprises. The fact that the Soviet Union has entered into similar agreements with Czechoslovakia, Bulgaria and the German Democratic Republic also indicates the significance of this role. We asked Mihaly Patai, Ministry of Finance deputy chief, division of international finances, just how we should assess these agreements.

[Answer] Simultaneously with the signing of the agreement on joint enterprises, the two prime ministers reached yet another agreement. The second agreement has as its aim the closer and more direct cooperation between the enterprises of the two nations. In other words, the agreement goes beyond the establishment of joint enterprises which would reflect the highest level of direct relations, by expressing an intent to establish and to strengthen other long-term forms of cooperation, such as systematic cooperation in developmental work, as well as in production and information exchange. Both parties support the idea of developing direct relations at the enterprise level, because we attribute a decisive role to such relations in the exploration of reserves that are to be found in CMEA cooperation. Problems flowing from the rigid, state-level international structure of CMEA may be resolved or ameliorated by relations between enterprises, relations that are

based on real life enterprise interests. We especially support cooperative forms that conform to our structural political goals.

[Question] Even though their number was small, we did have joint socialist enterprises before. Why do we need the new agreement?

[Answer] Joint enterprises based on socialist participation had been established by virtue of intergovernmental agreements. Their accommodation within the economic environments of the nations in which the joint enterprises are domiciled (i.e. tax, price and exchange rate systems) had been resolved through individual, case-by-case rulings. The present agreement does not call for the establishment of any specific individual enterprise. It formalizes an intent and an interest that characterizes both parties with respect to the subject matter. Beyond that, it establishes the framework for the formation and functioning of such enterprises. To a certain extent this framework differs from earlier practice.

[Question] What are the basic principles, and what are the reasons for the differences?

[Answer] The fact that agreements between the Soviet Union and individual socialist nations were signed at the same time, does not mean that these agreements are identical. Nor does it mean that a multi-lateral agreement has been reached. From among the basic principles of the Hungarian-Soviet joint enterprise agreement, in my view the right of enterprises, cooperatives and other economic entities to establish joint enterprises is the most significant. In the Soviet Union, to a certain extent, this right is exercised by organizations that perform mid-level direction. I am convinced that an effective micro-integration can only be accomplished through the actual participation of enterprises interested in the outcome of such integration. The intergovernmental agreement, as well as negotiations and possible agreements between specialized ministries that may be expected in the near future, signify the potential only. The enterprises must provide the picture to the frame. The right and the responsibility to decide is theirs, and this includes financial responsibility.

[Question] How will the joint enterprises fit into the economic systems of various nations, and what are the conditions for their functioning?

[Answer] It is a basic principle that each joint enterprise function within the economic environment of its domicile, pursuant to that nation's laws and economic regulations. In Hungary the joint enterprise law does not differentiate between joint enterprises established with the participation of capitalist nations on the one hand, and of socialist nations, on the other. Accordingly, joint enterprises domiciled in Hungary that were established pursuant to the agreement signed recently will function within the Hungarian tax, price, and exchange rate system, under conditions identical to those applicable to domestic enterprises. The only slight difference in conditions is caused by the fact that joint enterprises too are entitled to all benefits guaranteed for enterprises that attract foreign working capital.

The two parties share in the net after-tax profits in proportion to their capital contribution. Capital contribution may take the form of machinery, installation, buildings, know-how, licence, cash, etc. The Hungarian partners in joint Soviet-Hungarian enterprises do not pay Hungarian taxes after their share of profit has been transferred to Hungary.

[Question] The establishment and the functioning of joint enterprises are conditioned upon the premise that machinery, installations, basic materials, semi-manufactured goods and finished goods representing a part of the venture capital would be continually exported and imported. How will the movement of these goods relate to the system of international commercial deliveries? How would these fit into the contingencies? How will profits transferred to Hungary in transferable rubles turn into merchandise deliveries?

[Answer] Extended cooperation and increased sales volume is the chief goal of joint enterprises. This goal requires the resolution of problems in the field of foreign trade also. Product movements induced by joint enterprises would therefore fall outside of the annual contingent. If the summary balance of all of these deliveries and profit transfers does not come to zero in a given year, the difference will be adjusted in the following year. It is very likely that a zero balance will not occur in any year. The structure of supplemental merchandise movements will be established jointly by the two nations. The fact that balances will not be reconciled within the same year, but instead will be settled during the subsequent year, does not represent a disadvantage for the cooperating enterprises. If, for example, the Hungarian partner in a joint enterprise receives its share of profits in transferable rubles from the joint enterprise, such amounts being proportionate to the Hungarian partner's capital contribution to the joint enterprise, that amount will instantly appear on the enterprise's bank account, expressed in forints.

[Question] Accordingly, it is enterprise initiative and interest that fills the framework provided by the government. Is there an interest? How should an enterprise begin negotiations?

[Answer] Several dozen Hungarian enterprises have come up with ideas, as for instance Medicor and the No 23 Volan. The actual needs of the economy explain the high level of interest. There are unexplored capabilities in Hungary, we need new markets, on occasion, through joint enterprises, we may obtain products we would not have obtained through the traditional channels of foreign trade, or would have obtained them in limited quantities only. Improvements in the productive structure, and the fact that the opportunities available to the Soviet foreign trade mechanism are in some regions greater than ours, may result in increased exports from Hungary to the third world markets, the bulk of which is paid for in convertible currencies.

[Question] What order and what viewpoints govern the issuance of permits?

[Answer] The process of founding a joint enterprise with the Soviet Union is no different from the usual process applied to joint enterprises with capitalist firms. Permission for the establishment of such enterprises may be

granted by the Minister of Finance, based on the opinion of an inter-agency committee. In addition to the Ministry of Finance, this committee includes representatives of the Ministry of Foreign Trade, the National Planning Office [OTH], the Hungarian National Bank [MNB], the National Technical Development Committee [OMFB], as well as other functional and expert agencies. The Hungarian enterprises conduct negotiations on their own, while keeping in mind the recommendations of the inter-agency committee and of the Ministry of Finance.

We will individually review and carefully judge each plan calling for the establishment of a joint enterprise. We wish to support the ones that contribute to the improvement of domestic production capacity utilization, to the expansion of mutually advantageous product exchange with the Soviet Union, to third world market exports, and to the enhancement of micro-integration, which is one of the decisive economic issues in the relations between the two countries.

12995

CSO: 2500/250

LEADING ECONOMIC JOURNAL COMMENTS ON CEMA INTEGRATION

Budapest IDEI VILAGGAZDASAG in Hungarian 15 Nov 86 pp 4-6

[Article by Andras Domany: "The Planning of Forms of Cooperation-CEMA Sessions in Bucharest"]

[Text] At press time the summit meeting of socialist nations continues in Moscow. Reports have it that the acceleration of CEMA economic integration is the subject of debate. This was the main subject of last week's CEMA sessions in Bucharest also. Sooner or later, major reforms in the Soviet Union may bring about major changes in the functioning of CEMA, and in relationships between various member nation enterprises. This, in turn, may lead to the development of new forms of cooperation, according to our on-the-scene reporter.

CEMA held its 42nd Session in Bucharest, November 3-5. The agenda included a performance report on activities since the 40th Session in Warsaw, June, 1985. (The 41st Session held in Moscow, late 1985 was extraordinary. Its participants approved a complex scientific-technological development program that extends through the year 2000. The implementation of that program was also discussed at the present meeting.) They discussed the results of coordination between the various 5 year plans in effect during the period 1986-90, and individual member nations' plans regarding nuclear power plants and nuclear heating plans up to the year 2000.

The Executive Committee's Report, presented by the presiding permanent representative of Romania, provided details concerning the CEMA development and the results of cooperation. Thus, for example, the Report emphasized that during the previous plan period, the aggregate national income and gross industrial production of CEMA nations taken as a whole had increased by 18 percent respectively, while agricultural production had increased by 11 percent. Compared to 1985 the increase in national income amounted to 3.6 percent. (These are average percentages, of course. The above national income growth indexes may be appreciated only if one considers that they are based on a spread between Romania's 5.7 percent increase, and Hungary's one percent decrease.)

The Report describes in great detail the increased role of the machine and electronics industries, and in general, of the most advanced industrial sectors within the cooperative scheme. It states that in the latter category, "specialization and the extent of cooperation does not meet possible optimum levels projected by member nations." The Report on planning coordination mentions the fact that the bulk of the related work took place only on a bilateral basis among member nations; nevertheless, the unified, multilateral coordinated implementation of research, production and transportation has expanded.

Advance press releases and a press briefing may have created the impression that consistent with previous sessions, reports on achievements and an emphasis on the advantages of cooperation would be the highlights of this session, although a few sentences recalled factors that retard development.

Actually it is quite understandable that perceptions of a comprehensive, in-depth transformation would reach the highest political body by way of a lengthy process. Such perceptions have been discussed in several recent meetings among well-known Soviet and Hungarian scientists, invariably urging reform. It is precisely for this reason that major expectations had been attached to remarks by the Soviet head of state. The Soviet Union, a member nation, is presently in the process of the largest reform, including a significant internal economic reform. In addition to reporting on the reform of the Soviet mechanism, [Soviet Prime Minister] Nikolay Ryzhkov urged direct cooperation between enterprises, conditions of improved economic interest, and the reorganization of the international cooperative mechanism within the overall CIPA cooperative scheme. He recommended reexamination of the areas of re-training, foreign exchange and financial relationships, as well as of contractual and legal matters. Efforts must be unified so as to produce better results, and so that the economic mechanisms of various nations become streamlined.

Ryzhkov emphasized that from the primary level of connections, which are commercial in character, we must move to cooperative production, to product specialization and cooperation. Ryzhkov once again underscored the fact that the Soviet Union supports the development of new forms of cooperation, as well as the establishment of joint enterprises and other joint organizations. It is according to these parameters that the conditions of economic interest for enterprises must be defined. Exclusive of the Soviet Union, CIPA nation plans that call for the construction of nuclear power plants and nuclear heating plans project an increase in nuclear energy production capacity from the present 8 million kilowatts to 50 million kilowatts by the year 2000, according to Ryzhkov.

Reporters were permitted to attend the closing session. In his brief remarks, Ryzhkov, the next presiding officer, it was conspicuous that he laid far more emphasis on the need to openly discuss difficulties and to maintain a critical view, than did the statement released by the ten delegations, even though that statement had been the subject of lengthy debate prior to its approval.

Closely related to the search for new, modern forms of cooperation is a bilateral agreement ratified by the Soviet and the Hungarian heads of state

concerning direct relationships between enterprises and institutions, and about the formation of joint enterprises. Similar bilateral agreements are in force between the Soviet Union on the one hand, and Bulgaria, Czechoslovakia and the GDR also. The intent of this basic agreement is to resolve issues like customs duty and tax burdens to be paid by joint enterprises, as well as the sharing of profits. In this relation Hungarian officials attribute significance to the fact that joint ventures must definitely be profitable and that the products manufactured be of export quality. (In this type of set-up they foresee the possibility of manufacturing limited series parts, for example.) It would serve well, if small- and medium-size enterprises could also participate in these forms of cooperation, alternatively, if joint enterprises would not necessarily endeavour to have large scale operation.

In his November 3 speech [Hungarian] Prime Minister Gyorgy Lazar suggested that future CEMA documents record facts in more detail, and urged expansion of CEMA cooperation, the more purposeful utilization of mutual advantages, and the realization of the complex scientific and technological program that has been projected through the year 2000. He called for the elimination of formal bureaucratic work styles and emphasized that careful preparation must precede decision-making, including the clarification of conditions of implementation and the establishment of fall-back positions. "Nonchalance in this area is the primary reason for delayed implementation of otherwise realistic schedules in our decisions," he said. Lazar stressed the disturbances that have been experienced in the unified electric energy system. He reminded those present that Hungary has viewed this system as an important achievement of socialist economic integration, and that in spite of constraints in investment, Hungary has continued to contribute significant amounts to the extension of the system. But since Hungary imports 30 percent of its actual usage of electrical energy (this is the highest ratio among all CEMA nations), disturbances in the system and unscheduled consumption by certain partners threaten the security of the system. On occasion such disturbances and unscheduled consumptions by others require drastic governmental action in Hungary and cause serious damage. It is for this reason that Hungary attaches great importance to keeping within the plan, and to the accurate fulfillment of mutually accepted obligations. The latter idea has been restated several times in more general terms, and has also become part of the closing statement: mutual obligations must be performed accurately, products delivered must be of high quality, and relationships must be viewed on a stable, long-term basis. In his second, November 4 remarks Lazar brought out the need to develop systems for foreign exchange, finances and credit. (This subject has been raised a number of times by Hungarian CEMA representatives. Considering the Soviet delegate's remarks, there is a better chance for progress in this respect as a result of the present meeting.) The Hungarian head of state emphasized that more up-to-date methods should replace present forms of cooperation with respect to the balancing of product categories.

Working sessions were closed, of course. Presumably as a result of a misunderstanding between the CEMA secretariat and the Romanian news agency Agencepres, texts of statements by heads of states could not be obtained on the scene. These statements had been released for publication within the respective individual member nations. (This is why Hungarian papers did not

report on the various statements, unlike before.) According to reports, however, progress has been made in the field of modernization, and in the sense that real problems became the subjects of discussion. This was also emphasized at a November 5 press briefing by CEMA Secretary Vjaceslav Sichov, even though he did not go into details. His statements pertained primarily to significant achievements in the development of various member nations.

The closing statement of the 42nd CEMA session emphasized that further opportunities must be explored in order to increase mutual product deliveries, especially within leading industries. (The statement quotes Ryzhkov's remarks concerning the strengthening of the "technical and economic invulnerability" of member nations.) With respect to issues pertaining to heating fuel and energy, the statement announced that member nations had approved the nuclear power plant program as projected through the year 2000, and had indicated that cooperation will continue with respect to several major investments.

One more topic in this lengthy document is worthy of emphasis. If for nothing else, it is worthy because the Czechoslovakian chief of the CEMA public information section abruptly averted a question by saying that "this is not on the agenda," when asked about negotiations with the Common Market. The question was raised at a press conference just prior to the meetings. Well, as it turns out, something must have been said about negotiations with the Common Market. According to the closing statement "official contacts that have been established, and the apparent progress that has been made between CEMA and the Common Market, and between individual CEMA member nations and the Common market have been viewed favorably." The participants reinforced their belief that continuation of this process would enhance mutually advantageous economic, scientific and technical relations, and in general, would increase the normalization of political relations and trust. As CEMA Secretary Sichov later reported: preparations for upcoming expert negotiations in Geneva between the two international economic organizations are on their way.

Productive Debates

Last weekend on the radio's program, "168 hours," Kalman Pecsli, director of the Research Institute on Global Economy discussed the mutual effects of Soviet economic reform, on the one hand, and the CEMA mechanism on the other. Reporter Zoltan Parkas asked the questions. Considering the timeliness of the issue, we are presenting the text of the interview.

[QUESTION] Most European socialist CEMA nations have long been debating the changes in economic policy and in the economic mechanism. In some countries we are talking about both of these. Do these internal expert debates on economic policy have any effect on CEMA as a whole? Do they raise the same questions in various working committees, working groups, or do they consider these as more or less "internal affairs?"

[ANSWER] There has been a great increase in the number of Soviet scientific economic debates beginning just prior to and after the 27th Congress. The Soviet press raised the issue of economic model evaluation. According to academician Zaslavskaya the cause of the problems rests in the present model. And the problems, of course, manifest themselves in economic inequities and in unfavorable social tendencies that may be felt in the economy. The present model was suitable in the mid-1930s, but it is inadequate for the implementation of today's tasks. Let me put it this way: it is inadequate for today's fine-tuned tasks. The other similarly important issue pertains to harmony between the productive environment and productive forces in socialism. Economist Ambarcumov found--and this should be taken to heart--that politicians invariably are late in recognizing the disintegration of the harmony between the circumstances of production and the productive forces. In other words, the present economic model does not have enough signalling systems that would alarm politicians. A system that could say: "please, there is trouble; it is urgent, new action is needed both with respect to the economy and in the socio-political area." The most recent approach in theoretical economics was described in the September issue of K/VIENIST. Representatives of the school for computational economics [sic] announced that by using computers it became possible to optimize the economic process. Conversely, the theoretical column [sic] of the September 19 issue of PRAVDA spoke against such approaches rather sharply and decisively on grounds that real, live and healthy economic processes cannot be optimized through mathematical means. The PRAVDA article criticizes the subjective idealism of such approaches, the very fact that one could even hypothesize about optimizing the real economic process through mathematical means while disregarding the actual play of market forces.

Our discussions to this point had made it sufficiently clear that at present we are witnessing a clash of economic theories regarding the interpretation of the intents and directions of the 27th Congress. At issue is the manner in which these intents must be interpreted, and by which school of economic thought, by which wing of economic theory one should abide. Theoretical debates have begun, at last, and it is these debates that have a ripple effect on CMEA. And what you now see evolving within CMEA reflects more of a political determination to do something. In other words: that CMEA must be reformed.

[QUESTION] The way these theoretical debates go is one thing, what happens in the area of practical economic policy is another, of course. Year after year it had become more difficult to ratify the minutes pertaining to the volume and exchange of merchandise. It is difficult to correlate the various products, the kinds of products that should be exchanged among the various nations. So-called supplemental mechanisms have evolved. Such are merchandise exchange, the selection exchange among department stores, the direct contacts among enterprises, and so on. The obvious question is whether these mechanisms are capable of providing a boost to these interactions, whether they could be viewed as the solution, or should we start out in some other direction?

[ANSWER] In and of themselves these actions are appropriate, I believe. Stated differently: the fact that politics boost the economy, move the state

enterprises in a direction of finding new ways. Because after all, these are new avenues. These considerations have emerged before, to be sure, but we have not implemented any of them so far. As discussed during the last quarter, it is absolutely clear that the conditions for joint enterprises have not yet been worked out. By conditions I mean the manner in which such joint enterprises could come into being and what effect they would have on enterprise management. A delineation is yet to be made between central authority and independence, and the effects of autonomous enterprises upon each other. This is why we have made a recommendation at one of the conferences dealing with theoretical economics that an economic framework for CEMA reform should be developed. Here is what we had in mind: as long as we have a complex program for the acceleration of scientific and technological development, we might as well have an economic approach to this issue. This approach would cover all those urgent tasks that need to be accomplished in order to begin the sci-tech development program. It would approach the issue from the viewpoint of a needed system of conditions.

Jozsef Laszlo: The Polish Opinion

Since the beginning of the decade, two main factors have determined the relationship between Poland and CEMA. One is "reorientation," so called because it endeavours to broaden connections with other CEMA nations. This endeavour is the consequence primarily of Western sanctions. While 50 percent of Polish exports were destined to socialist nations in 1981; in 1984 it was 56.5 percent. With regard to imports the same figures increased from 58.1 percent to 62.3 percent. The other factor is the Polish debt--rather significant with respect to socialist nations and primarily to the Soviet Union--this year amounts to six milliard [six billion] transferable rubles. About 90 percent of this amount constitutes Soviet credits. (Over and above that amount, Poland owes about two milliard [two billion] rubles to the Soviet Union.) Because of these factors, and because of the Soviet reforms, Poland pays increased attention to the idea of socialist integration, including discussions of the flaws of integration.

Today's period is a transition between commercial and industrial integration, according to one Polish analysis. Cooperative programs adopted in the seventies had the common flaw of not being implemented to the fullest extent, the analysis continues. It was not possible to develop these relations from a bilateral status to multilateral. A determination that provided for the exchangeability of CEMA member-nation currencies had not been implemented either. This determination was made at the 15th session of CEMA. The practical failure of this determination, in other words, the fact that demands and debts continue to be accounted for in the framework of bilateral trade, continued the rigidity of bilateral accounting. Not too long ago, the deputy chief of the Polish planning committee, Stanislaw Dlugosz stated that the possibility of establishing supra-national organizations and enterprises should be examined. "If we want to give real meaning to the term integration, the time has come to establish a CEMA common market," wrote Zycie Warszawy, just before the current session in Bucharest.

It was pointed out in Warsaw that far greater accomplishment are needed in the fields of cooperation and specialization than before. This can be accomplished only if decisions are being made strictly on the basis of economics. There would be a need for competition among enterprises. The issue of foreign exchange reform repeatedly reappears on the agenda. Poland's permanent chief representative to CMEA already propounded in June what they have been discussing in Bucharest: recent years have accentuated the flaws of the cooperative mechanism, in other words, "that at present the term cooperation applies to central economic management, to the upper echelons only, and the idea does not always reach the lower echelons, such as the enterprises."

As Soviet Prime Minister Ryzhkov had emphasized during his latest visit to Warsaw: Soviet-Polish economic relations must become the model for close integration within the socialist community of nations. "The old methods have been exhausted--there is a need for new ones, such as direct joint cooperation among enterprises." Plans call for the establishment of five new Soviet-Polish joint enterprises. The ones to be located in Poland will operate in the form of stock corporations. These firms will be based on the idea of self-financing; profits will be distributed in a ratio proportionate to investments. Concerning the latest meeting in Bucharest, it was the Polish view that functional accommodation by CMEA organizations of changed circumstances, and the shortening of decision-making processes are very important.

12995

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PRIVATE SECTOR: TAXES REVISED, BUSINESS ORGANIZATION CONVENED

Increases, Decreases in Taxes

Budapest NEPSZAVA in Hungarian 5 Dec 86 p 3

[Article by Andras Deak: 'The Manner In Which Small Enterprise Taxes Change']

[Text] Responding to a question raised by NEPSZAVA's correspondent, government spokesman Rezso Banyasz had this to say about changes in tax rules applicable to small enterprises. The term "small enterprise" includes business partnerships as well as civil law associations. The changed rules go into effect Jan 1, 1987. NEPSZAVA's correspondent also inquired about rumors concerning increased social security payments to be required from small tradesmen beginning in 1987.

Speaking of various forms of taxation applicable to small enterprises, the spokesman emphasized that any changes will be consistent with the economic regulations of 1987. One important feature is that funds paid to small enterprises will be subject to a 20 percent rather than the previous 15 percent tax, payable by the buyer. (In practice this means that from the viewpoint of buyers work done by small enterprises will become more expensive--Ed.)

The other important change is that beginning Jan 1, association taxes paid by small workshops will increase from the present 6 percent to 10 percent. The picture would not be complete without saying that simultaneously the taxes payable by civil law associations will be reduced by 40 percent.

The new rules provide a variety of benefits to small enterprises that participate in specialized training, handicapped employment and social service programs, Banyasz emphasized. An important new feature is that beginning in 1987, small enterprises may account for technological development and research expenses when computing their taxes. The new rules for small enterprises amount to "fine tuning", according to the spokesman. They are fully consistent with the already accepted principles and rules of enterprise income taxation.

The spokesman firmly denied that the new rules would increase social security contributions by small tradesmen. Moreover, he emphasized, the changes tend to relax concerns about entering small trade. During their first year of operation small tradesmen will pay only 900 forints per month in social security contributions. It will be possible, of course, to pay taxes on the basis of actual earnings, but only if the use of the actual earnings base would be more advantageous to the small tradesman than paying on a lump sum basis. Once again this constitutes a simplification in the otherwise complicated system of social security.

Soon, the MAGYAR KOZLONY will provide detailed rules affecting small enterprise taxation and social security contributions.

Private Sector Organization Convened

Budapest NEPSZAVA in Hungarian 29 Nov 86 p 16

[Article by Zs. V.: "Small Tradesmen: The Chief Providers--Rejuvenation, Public Awareness--Increased Public Burden, Increasing Fluctuation--Linkage With The Government Program. National Organization of Artisans [KIOSZ] Prepares For General Meeting Of Delegates"]

[Text] Small tradesmen prepare for a day of reckoning: the KIOSZ 9th National Meeting of Delegates [hereinafter: "Meeting"] will be held Dec 5-7 at the Budapest Congress Center, it was announced at a press conference last Friday. Following remarks by Council of Ministers public information office deputy chairman Jeno Nemeth, KIOSZ national president Jozsef Molnar stated that as the representative of 142,000 small tradesmen and quite a number of business partnerships, his organization has been preparing for this event for a year. The draft platform that has been enriched by the opinions of tens of thousands of small tradesmen will now come before the organization's highest forum, the meeting of delegates.

Our Meeting will seek answers to both the positive and the negative phenomena that have occurred during the past five years, Molnar said. At present, 69 percent of small tradesmen have intermediate or academic degrees, as compared to 58 percent five years ago. This is a positive phenomenon, one that reflects a change in generations within the ranks of small tradesmen. Rejuvenation also means the master tradesmen's increased familiarity with public life. On the other hand it is disturbing to see that the number of persons who consider their trade as their main occupation has fallen from the earlier 81 percent to 78 percent. This reduction may be attributed primarily to regulatory problems, lack of incentive and to increased tax burdens. The reduced number of main occupation tradesmen is most felt within the traditional trades and in small settlements.

Fluctuation within the ranks of small tradesmen also presents a disturbing phenomenon. Between 1981 and 86 the number of permits issued was 134,000, but during the same period 94,000 discontinued their trade. On the other hand, the value of production during the same period rose from 29 milliard [29 billion] to 55 milliard [55 billion] forints, at an approximately equal

rate for both merchandise production and services rendered. At present 61 percent of all services to the population are rendered by small tradesmen, and within that figure: 84 percent of all residential maintenance, and two-thirds of all cargo transportation. Private sector master tradesmen construct the majority of single family residential dwellings also. According to plans, the present 61 percent share will be increased to 75 percent by the early 1990's, provided that regulatory measures grant equal opportunity and appropriate incentives.

Small tradesmen continue to consider maintaining harmony with governmental programs, the broadening of their activities within the background industries and the provision of services in small settlements as their important tasks.

Delegates Discuss Achievements, Problems

Budapest NEMSZARANSAG in Hungarian 6 Dec 86 p 4

[Article: "Small Tradesmen's Meeting Of Delegates Opens"]

[Text] The KIOSZ [National Organization of Small Tradesmen] Meeting opened yesterday at the Budapest Congress Center. MSZMP Central Committee division director Laszlo Rallai made an appearance, together with Finance Minister Istvan Hitenyi, Minister of Industry Laszlo Kopolyi, Construction and Urban Development Minister Laszlo Somogyi, and Ferenc Sali, executive secretary of the Local Trade and Urban Economy Workers Union.

Before an audience of almost 300 delegates, KIOSZ president Jozsef Molnar expanded on the Steering Committee's report. He emphasized that the role of small trade is on the increase with respect to services rendered to consumers, as well as in the production of merchandise. Sixty percent of all services rendered to consumers is being performed by small tradesmen. Within that, for example, small tradesman perform more than eighty percent of all building repairs and maintenance. Those engaged in the production of merchandise fill gaps created by shortages, enrich the choice of merchandise and produce indispensable parts and products. They produce merchandise that would have to be imported otherwise, and supplement our exports. The general trend of small trade development, and the integration of small trade into the people's economy may be seen in numbers. Total small trade production in 1985 approached the 56 milliard [56 billion] forint level, doubling the 1981 production level. There are 143,000 small tradesmen nationwide and the number of persons employed by small trade is 26,000.

In spite of the dynamic development experienced during the past five years, there are quite a few problems to be resolved. The achievements are offset by a large percentage of small traders going out of business or going bankrupt, according to Molnar. This is why KIOSZ considers it an important task to establish conditions that provide a more secure environment for its constituents. This, of course requires a new outlook.

Molnar indicated that small trade can fulfill its role only if it is judged by moderate views. Extreme views nourished by prejudice are especially harmful because they contribute to the perception that small trade is a transitory state only, which prompts individuals to exploit opportunities that rest on small trade, often without paying taxes, rather than planning on long-term, honest work. Unfortunately, Molnar continued, many legislators and enforcement officials think this way, and this attitude is reflected in their work also. Rules that provide long term assurance for the functioning of small trade and of small enterprises are needed.

In these days it is of special importance for mid-level and base level organizations to establish cooperative relationships with councils and with economic units, Molnar emphasized. Materials procurement, employment search, the improvement of the marketing situation and the taxation system equally require the establishment of good external relationships and information exchange. All of these aspects constitute the basis of KIOSZ' work with respect to interest representation, interest protection, and economic organization. The increased scope of authority of local councils, the evolution of their economic organizational and managerial role also yields new opportunities for cooperation. These could be utilized to mutual advantage.

Molnar also talked about future tasks. The most important of these are: to further integrate small trade and small enterprise into the people's economy, and to establish successful cooperation with political and economic organizations. What is needed is more effective work with respect to interest representation and the protection of interests.

Upholding the interests of the membership requires a top to bottom modernization of KIOSZ, within the limits of its by-laws. This purpose is being served by the establishment of business cooperatives, as well as by the formation of new sections, such as the personal and cargo transportation sections, among others.

Following comments, the membership debated the report.

Decorations were awarded to outstanding workers. On the occasion of his retirement and in recognition of his successful work, the Presidential Council awarded the Order of April 4 to Endre Nemenyi, deputy president of KIOSZ. The Gold Medal of the Order of Work was conveyed to Mrs. Imre Karako, a corset maker, president of the KIOSZ national audit committee. One small tradesman was awarded the Silver Medal of the Order of Work, while two received the Bronze Medal.

The Meeting continues today.

Minister of Industry Speaks

Budapest HUNGARIAN NEWSPAPER in Hungarian 8 Dec 86 p 3

[MTI Report: "New Officers Elected-KIOSZ Meeting Of Delegates Comes To An End."]

[Text] KIOSZ delegates debated the Steering Committee Report during the Saturday meeting. Industry Ministry Kapolyi, and Construction and Urban

Development Minister Somogyi were among the members of the executive board, joined by several leaders of the Party as well as of social organizations and interest groups.

Improved Materials Supply

Small tradesmen can satisfy the increased demand only if they continuously improve their work standards. Many are barred from this opportunity, unable to finance the purchase or lease of machinery. Several delegates expressed the view that products manufactured by small tradesmen could be sold abroad if access to materials would be made easier. KIOSZ assistance was sought in this respect.

The two relatively new entrepreneurial undertakings of personal and cargo transportation appear to be attractive to many. Delegates cautioned however, that some obtain permits in hopes of getting rich quickly, but are unable to satisfy the requirements.

Interest representation and protection of small tradesmen must be improved in the future. In the delegates' opinion so far only modest steps had been taken in that direction. Lawmakers dealing with issues affecting small trade should always consult with KIOSZ representatives. More effective interest protection is significant at the grass root level also--the new KIOSZ by-laws enhance this possibility. The by-laws provisions referred to provide greater autonomy for grass root small trade organizations: they may incur obligations with corresponding financial liability.

KIOSZ is no longer the interest group of small tradesmen only. Recently it also represents business associations. Economic work collectives (GK-s), however, do not yet consider KIOSZ as their representative.

Identical Ground Rules For Competition

Construction and Urban Development Minister Somogyi remarked that even though as a branch of industry small trade concerns the Ministry of Industry, in several respects small trade relates to the concerns of the Ministry of Construction and Urban Development because small trade plays an increasing role in construction and renewal. There is a significant, continued future need for this involvement, but for small trade to be able to satisfy the needs, the ground rules for competition must be equal.

While various service renderings by small tradesmen will continue to be determining factor in the future, the role of small trade in industry as a whole must be developed. This should mean both export-oriented development as well as a higher level of satisfaction of domestic needs, according to Industry Minister Laszlo Kapolyi. Small trade claims only a two percent share of national income production, while it commands 60 percent of all services rendered to consumers.

Further development of regulations is necessary so as to bring about improvements with respect to the small trade situation. It is an indispensable requisite that small trade have less to worry about materials

and parts supplies, and about ways to improve their standard of work. The Minister concluded his statement by saying that small trade has an important role in the development of the supply market, and expressed pleasure over the fact that small trade is expanding in the field of electronics, information technology, informatics and in applied electronics.

Five Year Tasks

The meeting continued on Sunday. Thirty-nine delegates commented at the three-day meeting. A number of recommendations were made, including some regarding small trade finances: specialized small banks capable of accepting delayed payments should be established. Income regulations should be modernized and tradesmen involved in cargo transportation should be involved in public works. KIOSZ will conduct detailed feasibility studies regarding these recommendations.

Molnar summarized the debate by stating that the Meeting was successful insofar as the delegates have positively evaluated the achievements of the past, and exercised self-criticism in the interest of improving their shortcomings. The conference also revealed that small tradesmen as a group are in harmony with the political and economic objectives of society, but in order to fulfill the great tasks that lay ahead, there is much more to be done both by small tradesmen and by central management.

The Meeting unanimously approved the report, and adopted a motion establishing the five year tasks of both the membership and of the Steering Committee. Among these the most important economic goal is the further development, the qualitative improvement, and the refinement of services in the fields of residential maintenance, renewal, car repair and other traditional fields.

The delegates then elected the members of the new Steering Committee and the officers of KIOSZ. Molnar was reelected as president. Pal Fischer and Gyorgy Molnar became deputy presidents.

12995

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ECONOMIC SOCIETY PRESIDENT PLENUM SPEECH ON REFORM

Warsaw POLITYKA in Polish No 4, 24 Jan 87 pp 1,4

[Article based on Third PZPR CC Plenum report by Zdzislaw Sadowski, president of the Polish Economic Society]

[Text] The recently introduced notion of "the second stage of the reform" has from the very beginning caused much misunderstanding and many doubts. We can still hear uneasy questions about the exact nature of it. Has the first stage been completed? Has a failure occurred and are we beginning to retreat? It turns out yet another time that unfortunate terms conjure up different images and give rise to different interpretations. However, the term has already caught on. What kind of content should we give it?

I believe, and I state it clearly and unambiguously, that there is absolutely no reason to change or modify, or, worse yet, abandon the concept of the reform, which was adopted 5 years ago and has been implemented since, though undoubtedly with great difficulties. The concept, of course, is no sacred cow. On some issues, it has barely been sketched, and it needs to be developed, especially because life goes on and exacerbates many problems.

However, it would make no sense to modify the reform just because its implementation is so difficult or because various false accusations are levelled at it. Justified complaints usually concern the way of reform implementation rather than its concept. We must draw conclusions from that. Apart from the complaints, there is ample evidence that changes made to date can foster real progress. A number of enterprise representatives took the floor at the 3rd PZPR CC Plenum praising the reform highly.

Currently, it is not changes in the concept that are the issue, but rather a bolder and more persistent implementation of this concept. Therefore, the mode of implementing the reform, which turned out to be too slow and lacking persistence, should be made more radical. Marked and rapid progress is needed to achieve success.

Unfortunately, such a success cannot be achieved by simply leaping from a bad situation into a good one. We cannot emphasize too much that the reform is not a one-shot endeavor, but a continuous process. In the course of this process, not only economic mechanisms and institutions need to be changed, but

primarily the very logic of economic operations and, therefore, the principles and methods of operations by all participants in the economic game, their customs and attitudes. We must overcome in our economy the long-standing predominance of shortages, demand permanently outstripping supply, a situation bringing about disruptions in the market, interruptions in supply, waste and numerous difficulties in daily life. We must turn this around to a situation in which supply and demand are in continuous equilibrium (and at times, the former even exceeds the latter), to a condition when mechanisms independently eliminating deviations from equilibrium are set up.

Such changes cannot be effected overnight. This must be a process in the course of which two tasks have to be performed simultaneously: the economy should be converted to a new mode and care should be taken to meet current needs when demand still exceeds supply. This very combination of two tasks causes the overall image of the progress of the reform to be fuzzy: supposedly, so much has changed; meanwhile, so many things are done as they used to be. This must give rise to considerable mistrust and disbelief. Is there a way around it?

There is only one way. The process of changes should acquire such a scope that the period when contradictory elements coexist is shortened as much as possible. This, however, cannot be accomplished by putting forth postulates such as the need to make the zloty convertible or demonopolize the economy. These postulates are very nice and correct, but they cannot be implemented over a short period of time. We have to painstakingly create conditions which will truly permit introduction of such convertibility. We have to painstakingly create conditions for breaking the monopolies. Creating such conditions should take years. It is important to be certain that we are indeed creating them. Meanwhile, reality suggests that there are various disruptions in this process as well.

This is how I see conditions for making appreciable progress. There are three necessary avenues for action, which are closely intertwined. All of these avenues require simultaneous and parallel actions, since their outcomes mutually depend on each other. These three directions are: reforming the system of economic operations, ensuring equilibrium (rownowazenie) in the economy and changing the structure of the national economy, or restructuring. For the ease of memorization, I defined this group of avenues as the Prescription of Three Rs some time ago.

We will not be successful on any of these avenues, unless we act vigorously in the two other fields. The reform will not be successful without equilibrium in the economy; however, there will not be equilibrium if the reform makes no progress. Neither the reform will be successful nor the economy balanced without changes in the economic structure, and vice versa.

Switching the economy from a state where it is plagued by numerous shortages to a state where the scope of demand is a considerable influence on the direction and structure of production, requires that we strive as best we can to increase supply of adequate structure. Of course, I mean by supply not only the supply of consumer goods, but also, and even primarily, the supply of materials and capital goods. We cannot increase supply without fundamentally

improving the utilization of human and embodied labor, available in our country.

Another definition for that is eliminating waste. This is also not a task that can be taken care of overnight. This must also be a continuous and persistently implemented process, based on the introduction of the economic reform. A better utilization of resources in the country is associated with developing more profitable sectors and highly efficient enterprises. At the same time, we should gradually roll back and give up unprofitable sectors and liquidate inefficient enterprises.

Untangling this triple interdependency calls for creating economic conditions for efficient operations in all elements of the economy. The issue of restoring order in the system of prices comes to the forefront. An economist would understand that right away. However, a non-economist should also understand that efficient operation of the entire economy depends on correct price arrangements. Prices should keep the supply and demand in balance. This is one of the main rules of economics. It should also apply in a socialist economy based on healthy logic.

Until this is the case, we must resort to various forms of rationing, which always undermines the efficiency of management, reinforces the bureaucracy, and promote waste. Rationing should be eliminated as fast as possible. Arriving at prices which balance supply and demand is the first priority. This calls for sacrifice and social understanding because in many cases this still necessitates price increases.

However, we cannot balance the market exclusively by increasing prices. Increasing production and eliminating losses due to poor work and poor organization is the basic issue. Appreciable results in this field are necessary as a foundation for securing the social awareness that bringing order to the price system is also necessary as a supporting action. I believe that this group of issues calls for particularly urgent scrutiny and action.

Yet another issue: we should rapidly and resolutely embark on changing the structure of the economy. Structural changes mean a lot of different things at the same time. First, we must build a structure increasingly geared to foreign trade. Therefore, we should develop exports. However, we do not need just any exports. We need highly upgraded exports with a large scientific input--this is where there is an opening for us.

On this occasion, we should consider whether the current forms of export incentives interfere with implementing this recommendation by also encouraging exports of raw materials and products of lower processing stages. We should find a way to assign express preference in export bonuses to highly upgraded products over exports of domestic raw materials and semi-finished products which later have to be repurchased in an upgraded form.

We should also change the structure of our economy to ensure lower energy-intensiveness. This calls for changes in technology and maybe even precludes further development of certain branches or product lines.

Changes in the structure of the economy also mean more mundane actions consisting of fast elimination from the economy of organizational units and enterprises which do not meet the criterion of efficiency. For as long as we do not have proper prices, this is a very tough call to make, but we must proceed in this direction. At times, we can hear the opinion that in a socialist economy there is no room for bankruptcy, because everybody is needed. This is not true; inefficient producers clinging to disarray and waste and unable to overcome them are not needed. Such enterprises should be liquidated; their fixed assets should not be scrapped. They should be eliminated as inefficient organizations, so that their assets could be better used in other organizations and applications, their labor force could be better used elsewhere, in other units or for a different line of production.

It is difficult to crank out specific proposals, because every issue calls for close scrutiny. However, we can pose several questions. In a situation when funds for modernization of fixed assets are so scarce, should we scatter these funds modernizing all textile mills in Lodz a little bit, or should we rather concentrate them, retiring altogether several of the least efficient mills? Maybe we should rather transfer the assets, put them to a different use, modernize in a slightly narrower scope?

Could we make the use of fixed assets and labor at some shipyards more efficient by gradually changing their production line to more profitable assortments, e.g. production of steam boilers of modern standards? I do not want to dwell on this here: these are not suggestions, but merely indicative questions which someone may be able to answer for me.

We should look up to the good and efficient ones, open the field for their development rather than hamper their operations. We should move against the bad, the inefficient, the indolent. This applies to everything, to current actions and to legal regulations alike. This is a condition for achieving high efficiency and competence in the economy.

Interpreting the socialist principle of distribution is a raised issue. How should the principle of distribution "according to labor" be interpreted? It is a ticklish issue, but this is exactly why we cannot flinch from it. I believe that there should be an agreement that this is distribution according to the results of labor, and not the number of hours worked. We should pay remuneration based not on the number of hours one remains on the job, but on results, enterprise, initiative, intelligence, talent. This is a big and difficult issue waiting to be resolved. After all, our customs point in the opposite direction.

However, this issue has to be resolved; efficiency of management hinges on it to a great degree. Our basic task is to foster enterprise in the socialized economy. Anybody perceiving the economic reform as a collection of financial regulations would be making a big mistake. Financial regulations, guidelines for finance management, are merely a device serving to achieve the main objective, though they are not serving satisfactorily yet.

The main objective and fundamental thrust of the reform is to develop enterprise and initiative, management flexibility within the framework of the

nationalized socialist economy. In reality, there are still many obstacles, both actual and rooted in human consciousness. New economic, financial and organizational barriers and obstacles keep springing up. They should be overcome promptly.

Organizational problems belong among the major barriers. We have inherited from the past organizational forms in the economy which cause it to be excessively concentrated in large enterprises and excessively monopolized. We should not necessarily split large enterprises into smaller ones. This would not make any sense. We should split them only in cases when there is no rationale for the large organization to exist, because it gets in the way of efficiency. At times, merging is also needed, especially pooling funds for development and progress.

The main thrust of actions should consist of creating a number of new, small and up-and-coming socialized enterprises capable of developing quickly, in production, services, processing, trade, and construction. We should also set up quickly innovative enterprises promoting technical progress, able to do implementation and start up trial production quickly. Such products should later be promptly taken over and developed by larger industrial organizations. We must clear the way of any obstacles for such enterprises. It may be that they should even be given special preferences and incentives. A dynamic economy calls for continuous formation of new enterprises and structures and the removal of those which have no chance to succeed.

The following view of the economy has prevailed in our country: all [enterprises] which exist must continue to exist, and if they run into difficulties, they should be subsidized and given preferences. We must renounce this approach. We must begin to create a new mentality in every way we can, a mentality of efficient management, work and enterprise. Since we cannot move ahead too fast along the entire broad front, let us all look for the segments where a rapid turnaround can be effected.

9761

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'BUDIMEX' CONTRACTS IN IRAQ DISCUSSED

Warsaw ZYCIE WARSZAWY in Polish 20 Jan 87 p 2

[Article by (Sz): "'Budimex' in Iraq. Last Contracts?"]

[Text] 'Budimex' has recently completed 3 large contracts in Iraq. Due to this, the total number of contracts carried out in that country by the Polish foreign trade organization in question has reached 12.

First of all, on 6 January of this year, a large agricultural complex built by Polish specialists was formally dedicated in Abu Ghraib near Bagdad. The complex comprises 30,000 hectares of land between the Euphrates and the Tigris. Among other things, the Poles have put in 201 kilometers of main irrigation canals and laid 1,800 kilometers of underground drains, adapting desert terrain for the needs of agriculture.

'Budimex' has been doing such work in Iraq for a dozen years. The Poles have developed a total of 300,000 hectares of desert land for agriculture in, among others, the Al Swaib and Al Khalis regions. 'Budimex' would usually contract well-known specialized enterprises for such work, especially 'Meliorex' from Torun, which is very good in its field. However, work at Abu Ghraib (the most recent contract) got off to a slow start. The Krakow Construction Association, an enterprise not suited for this kind of work, was the general contractor. Between 1979 and 1982, work proceeded at a snail's pace and resulted in losses for 'Budimex.' Elimination of associations provided an opportunity to change contractors--'Budimex' employed specialists from the best Polish land reclamation companies, and the contract was completed before the deadline set by the customer. Losses incurred by the Krakow association could not be fully recouped, but they were drastically reduced.

'Budimex' participation in overpass construction in Bagdad is another contract completed recently in Iraq. However, the third contract, to operate the Kirkuk cement mill, turned out to be the most interesting and particularly profitable. This very modern enterprise, the size of the Gorazdze Mill in Poland, was built by the Japanese. Due to the knowhow which the Polish industry has we were able to undertake the operation of this enterprise. This was done by a 380-strong Polish crew for 3 years. The contract expired on 31 December of last year.

"Budimex" has operated in Iraq since 1968. Hostilities interrupted this presence only for a short time. However, lately the Polish organization was forced, with regret, to restrict work in this market. Iraq is only interested in contracts for which credit is provided by the contractor, whereas 'Budimex' cannot afford such terms.

MINISTRY STUDY OF FAMILIES' ECONOMIC SITUATION DEBATED

Warsaw ZYCIE GOSPODARCZE in Polish No 50, 14 Dec 86 p 3

[Article by Grazyna Smulska: "Petrification, Polarization, Pauperization"]

[Text] The GUS [Central Office of Statistics], the Ministry of Labor, Wages and Social Affairs, science institutes and social organizations are searching for the truth about the living conditions of families. For many reasons, it is not easy to grasp; therefore, it is not surprising that conclusions and opinions tend to differ. Experience shows that even the same facts can be interpreted differently, e.g. low income does not necessarily mean poverty, nor high income--affluence. Statistical data, which are the main source of information on the topic, frequently obscure reality rather than elucidate it.

Controversy also arises because what is "as much as" for some to others looks like "as little as." Both sides appear to have a point, though the latter somehow has more adherents.

Official Optimism

This pessimistic majority [opinion] became apparent at the plenary meeting of the Council for the Family, which was held on 13 November of this year. After a quite prolonged period of silence (it had been 1.5 years since the council met last), it embarked on evaluating the consequences of price and wage movement for the financial situation of families in the years 1984 and 1985, as well as 1986 on the basis of plan statistics. A previously prepared report of the Ministry of Labor, Wages and Social Affairs, along with a statement on the issue by a task force nominated by the council, provided the point of departure for a lively discussion.

The opinion of the ministry exudes official optimism. First, it is stated that, compared to previous years, an improvement in the supply of basic items, especially food, perceptible for a majority of families, has been achieved. Second, the number of families with low wages and incomes has decreased. For example, 5.3 percent of all employees made less than 10,000 zlotys monthly in 1985, whereas in 1984--12.7 percent. In 1984, about 19.6 percent, or 3.6 million members of employee households were supported by low incomes, or, as the Ministry of Labor, Wages and Social Affairs defines, under 7,000 zlotys in

1984 and under 8,000 zlotys in 1985. In 1985, it was about 11 percent, or 3.4 million members.

Third, the cost of living is growing progressively slower (unfortunately, the downward trend has already been reversed--note by G. S.), and, which is particularly important, the rate of growth of the cost of living in the foodstuffs group is lower than in other groups.

Fourth, the average wage and real income are increasing consistently: in 1985, by 3.6 and 4 percent respectively (only in employee households). The growth of real wages was the highest in the sector "science and technology development"--as high as 10.6 percent. As far as incomes are involved, it is estimated that they increased, certainly at varying rates, for 58 percent of members of employee households, and decreased for 42 percent. In 1984, the proportion was the opposite: incomes increased for 47 percent of persons and fell for 53 percent.

As the ministry sees it, protective actions undertaken this year in conjunction with price raises are also a cause for an optimistic evaluation (some social benefits were increased and the outoff income qualifying for them was raised).

In addition to these data, ministry representative Director Piekut-Brodzka referred to GUS studies, which suggest that in 1985, more families believed their financial situation was good, compared to 1982. Therefore, subjective feelings agree with the objective data.

Blacker or Rosier?

The Council for the Family did not share the evaluation by the Ministry of Labor, Wages and Social Affairs for several reasons. First of all, it was noted that it is difficult to discuss the family exclusively on the basis of what goes on in employee families, especially given that these data are not very current either. However, failure by the ministry to take into account families of retirees and annuitants, peasants and peasant-workers was not a consequence of oversight. As Prof Stanislaw Borkowska, deputy minister of labor, wages and social affairs, explained, the objective of her office was to study the movement of wages and prices, rather than incomes in general. (For the same reason, the report does not mention unreported income.)

In his turn, GUS Deputy Chairman Kazimierz Rusinek admitted that his office has reservations about passing on data on peasant families, because too few of these families are included in the study for accurate conclusions to be drawn from the results. However, deputy chairman Rusinek also stated that he was ambivalent about the report of the ministry, which is peculiar. This statement appears to be rather surprising, considering that the report was based on GUS studies.

As members of the council argued, even this fragmentary picture of the consequences of wage and price movement still shows the weakness and inconsistency of social and market policy to date. After all, closer scrutiny reveals a flip side, which is considerably less rosy than the one presented by

the Ministry of Labor, Wages and Social Affairs. It consists primarily of three phenomena, the three Ps, as Prof Antoni Rajkiewicz put it: polarization, petrification and pauperization.

The first phenomenon was addressed by Prof Teresa Palaszewska-Reindl. It amounts to high incomes growing very fast, and low incomes--slowly. In other words, affluent families are becoming increasingly so, whereas non-affluent, or more precisely, poor cannot break the cycle of poverty even if they move on, as stressed by the ministry, to a higher income group. (After all, there is inflation.)

How are the poles formed? Could it be that the economic reform rewards those active and industrious? This would not be bad; after all, we are not striving to reduce the spread of incomes again, given, however, that people who are less industrious by nature, for family or health considerations etc. are given a genuine opportunity for professional activization. At the same time, since the poles already exist, we should adjust cutoff incomes and social benefits accordingly, rather than pretend that they do not exist. In the market, we should ensure that cheaper products are available along with the expensive ones. Perhaps, it is quite obvious that nothing of the kind is happening.

Reductions relative to the average wage in various income categories responsible for the standard of living of non-affluent families also testify to the polarization of incomes. As Prof Palaszewska stated, in 1985 the minimum wage amounted to 16 percent of the average wage, whereas in 1982--25.2 percent; the lowest salary amounted respectively to 27 and 34.4 percent. The average retirement benefit and annuity came up to 46 percent of the average wage in 1985, 45.5 percent in 1983, but 48.4 percent in 1982. The lowest retirement benefit fell even further: from 38.9 percent of the average wage in 1982 to 25 percent in 1985. The average family allowance amounted in 1985 to 13.5 percent of the average wage, and in 1982--22.3 percent. The average child care allowance came up to 20 and 33 percent respectively.

In the opinion of Prof Barbara Tryfan, the phenomenon of income polarization is even more powerful in rural areas, where the rich are much richer than in the city, and the poor are much poorer. K. Rusinek observed in this matter that there are quite a few of both rich and poor. Unlike other socio-professional groups, there are few average people in rural areas, i.e. those of average affluence.

There is a lot of differentiation in the group of retirees and annuitants as well, and it is on the increase. As Prof Tryfan observed, new retirement benefits for employees are higher than the ones previously awarded, whereas new benefits for farmers are the other way around, lower, because it is the poorest that trade in their farms for retirement benefits.

Thus, by itself, the fact that a certain segment of families are no longer in the lowest income brackets does not yet indicate positive changes and trends. Besides, upward movement in income brackets is associated with greater "sensitivity" to the growth of prices for non-food items. To be sure, the family has a little bit more money, but it is also hit harder in the wallet.

Around the Minimum

Polarization of incomes is largely a consequence of petrification, that is to say, as Prof Rajkiewicz put it, persistence of unfavorable trends in, among other things, policy of wages, causing a drop in real income of a considerable number of households. Deputy chairman Rusinek retorted that these are not definite trends, but consequences of changes in the number of gainfully employed persons per family. However, these explanations were not entirely convincing.

The council considered the estimated 4-percent growth of real income in employee households to be too optimistic. In the opinion of the council, the estimated share of persons whose real income declined (42 percent) needs to be enlarged by the share of persons whose real income did not change. It was stated that, even if these estimates were not too far from the truth, the fact that 42 percent of the populace experienced a decline in real income is quite alarming.

Moreover, as Prof Rajkiewicz pointed out, indications are that these are the same households which experienced a decline in real income in 1984. Prof Rajkiewicz maintains that, if that is indeed the case, then mistakes in the wage and income policy are being made bringing about pauperization of some groups of the populace. Therefore, there is also the third "P."

Among households, the financial situation of which has deteriorated continuously, the professor mentioned retirees and annuitants drawing benefits for a long time, because revaluation of benefits does not keep up with the growth of the cost of living. He also mentioned employees of the health service and the educational system. Planning for stagnating real wages next year, and even after that, threatens to perpetuate all unfavorable phenomena, because growth of wages in the production sphere and decline in the non-production sphere should be expected, if practices to date are any guide.

As the council indicated, further decline in real income especially endangers families with many children and all those for whom benefits are a considerable source of income. Therefore, there is an urgent need to raise cutoff income qualifying for benefits and consider, in setting these cutoff levels, the current social minimum or, as Lucyna Deniszczuk prefers, living minimum.

For this year, the living minimum is estimated to be 7,500 zlotys per person in a 4-person household, and the social minimum--9,500 zlotys. The living minimum includes only expenses for food, hygiene and housing, whereas the social minimum also takes into account culture, education and recreation.

Lucyna Deniszczuk has been calculating the social minimum since 1965. However, as she says, little has resulted from these calculations over the years for either the income policy or supply. Also, the dispute about the minimum goes on, involving both its essence and the purpose it is to serve. At the same time, criteria qualifying families for aid are lacking. As a result, strange things are happening. As deputy chairman Rusinek reported, the share of social benefits in income is indeed higher in the group of less

affluent households than in the group of more affluent (the difference is about 20 percentage points), but in zlotys there is no difference.

Rightly or wrongly, one can have doubts about it. As of late, the "minima" have proliferated. Prof Rajkiewicz believes that determining the living minimum is controversial. However, if the social minimum, or let us call it the civilized or customary one, is close to the average consumption level, as L. Deniszczuk has argued, then using it is quite pointless. In its turn, the living minimum describes needs which cannot be postponed until later. This "lower" minimum is still higher than the minimum salary and various cutoff incomes qualifying for social benefits.

The On-Again, Off-Again Supply

In the opinion of the council, improvement in market supplies still is not enough to be an appreciable influence on the financial situation of families. A peculiar "on-again, off-again supply," as Prof Palaszewska put it, still prevents families from managing their incomes in an intelligent and planned manner. Still, there is no choice between more and less expensive goods. Only the expensive ones are available, with textiles and clothing being perhaps the only exception. However, the cheaper ones are usually ugly, out of fashion and inconvenient.

The council determined that deteriorating quality of goods, especially industrial manufactures, should be taken into account in evaluating the market. After all, the number of alterations and repairs which your appliances require and the frequency of their replacement do matter, especially for the less affluent. Insufficient supplies of items for children are a concern.

However, if we fault the market for the lack of products for low-income individuals, or families, then families with thick wallets have even less to look for in the stores, in any case, for zlotys. L. Deniszczuk brought up a paradoxical situation: we have a poor zloty market, but a very good dollar market with cars and accessories, audio and video equipment, luxury clothing, furniture and even apartments, though this is a separate issue. With all of that, those who make dollars and who make purchases with them are frequently different people. At the same time, private imports of sought-after goods reinforcing the black market are flourishing. People who profit by these imports also invest their money in that market, because in the regular market it is impossible. As a result, demand in the black market grows and equilibrium is achieved at an increasingly high level of prices. Uncontrolled redistribution of incomes is proceeding.

This spiral can only be interrupted by adjusting the structure of market supply to that of incomes. In the opinion of L. Deniszczuk, since adequate consumer goods are not available, the demand of affluent people should be channeled towards producer goods. It was discussed whether it would be possible for the state to at least in part make money on imports as private individuals do, by importing various sought-after items.

Fundamental Questions

Perhaps Prof Andrzej Tymowski voiced more doubts than any other discussant. He asked several fundamental questions: What is the objective of our social policy? What income distribution is the target? What disproportions in wages are we willing to accept? What level of social benefits do we deem appropriate? Having asked that, he stated: we do not know. Consequently, the actions undertaken are inefficient due to the lack of a target model. As the professor said, first one benefit is raised, then another one, but it is difficult to discern in them a concept, a method or planned pattern.

"Improving" the system of retirement benefits and annuities is a special glaring case of such "fragmentation". The legislature is displaying exceptional vigor in this field, altering not only the details, but also the basics of the system. Those involved associate all amendments with savings measures rather than the striving to perfection. As Prof Tymowski observed, it is indicative that savings are sought more often in the small pool of retirement funds, rather than in the tremendous pool of wages.

Another of the fundamental questions is brought out in the context of Prof Palaszewska's statement. Referring to the GUS study asserting that an increasingly greater number of families are satisfied with their financial situation, the professor questioned whether we can be truly happy because people are happy, without learning more about their aspirations. Feeling good is a very faulty indicator. As Prof Tryfan added, the younger generation does not compare their standard of living to that of their parents when they were young, but to the standard of their peers in other countries. As a result, the feeling of frustration is not the strongest where life is actually the worst, and vice versa.

These studies will be continued. The council requested that further, more profound and broader analyses be prepared. It appears, however, that in the absence of answers to the several fundamental questions above, all studies will become... a somewhat pointless activity. In this case, just knowing is not enough. On top of that, we should have an idea on how to use this knowledge.

9761

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HISTORY OF 'INTERPEGRO' SUCCESS, DEMISE REVIEWED

Lodz GLOS ROBOTNICZY in Polish 5 Jan 87 p 4

[Article by Slawomir Darzycki: "The Leader is a Thorn in Their Side"]

[Text] This is undoubtedly one of the most peculiar companies to have been set up in recent years. What is this "peculiarity" all about? Actually, from the very outset the Foreign Trade Association INTERPEGRO, a limited partnership, became a proverbial thorn in the side of many persons, and not just those working for organizations and enterprises in the same line of business. However, until recently at least a semblance of mutual tolerance prevailed, whereas now nobody cares even about appearances.

Yesterday

INTERPEGRO was born in 1982. It was decided that the partnership was supposed to promote and develop exports of greenhouse products, import the best seeds and seedlings, insecticides, machinery, implements and spare parts. This was not a new idea; several other participants in trade with foreign partners had been active in the field.

"As to the commodity structure, the assignment of markets was exclusive, but the state sector was definitely not keeping up. We wanted to show that it can be different"--they say in INTERPEGRO.

So, they set out to show it. The partners--and there were such "giants" as the Bank of Food Economy, the "Igloopol" Combine, vegetable and horticultural experimental stations, state farms and gardening enterprises, frozen food producers--made their investment and were waiting to see what happened. At first, 30 partners got involved. In the first year, the turnover came up to 200,000 rubles and \$2.6 million.

Producers (and we are referring here to the state sector) were now able to carry out profitable export operations through "their own" organization and without middlemen. Due to this, profits from margins or price differentials in export transactions, basically on the exporter's own account, could be kept by the producers themselves.

Very soon, INTERPEGRO became the talk of town not only in our country, but also in all of Europe. Contracts followed each other in quick succession. Our regular "bumper crop disasters" were used to our advantage, and surpluses were sold for hard currency. Vegetables, fruit, and flowers were offered for sale.

Throughout all of this, nobody from the partnership has said, nor is stating now, that it is the beginning and the end of the Polish foreign trade. This is borne out by the scope of operations, in which INTERPEGRO ranks behind the big and prestigious companies. Turnover, however, grew at an impressive pace. For this reason, the head of the Ministry of Foreign Trade counts INTERPEGRO among companies which achieved the highest growth of exports to capitalist countries last year! This was a tremendous success.

Month after month, year after year INTERPEGRO has secured new markets. The Soviet Union, Czechoslovakia, Bulgaria, the GDR, Yugoslavia, the FRG, Great Britain, Austria, Switzerland, West Berlin, Sweden, Denmark, Finland, Norway, Belgium, Netherlands. Carnations, chrysanthemums and onions, asparagus and black currants, garlic and raspberries, cucumbers and tomatoes, brussels sprouts, apples and potatoes... Lo and behold, there were even contracts with Uruguay and Albania.

Exports were growing, profits increased, and so did the number... of those dissatisfied. Why was that? Well, some were not thrilled by the style of operations of the "new boy on the block," who turned out to be a dependable and diligent partner well received by the greatest traders of Europe. INTERPEGRO shown as an example to others, active INTERPEGRO, a motivated workforce, excellent results--this was much too much. A good INTERPEGRO with its get-up-and-go began to be a thorn in the side. "Special" treatment was in order for "special" merit in exposing the indolence of others. The time for it has come...

For example, permission to expand trade operations for enterprises which were not partners in INTERPEGRO could not be obtained. We should note here that there are no such restrictions on, say, HORTEX or POLCOOP. Retained hard currency allowance for state partners in the company amounts to 15 percent of the value of exports, whereas, for example, those represented by HORTEX keep between 20 and 30 percent. To this day, nobody has explained why contracts to sell rye to Switzerland (1984) and surplus onions to Bulgaria (1984 and 1985) were suspended.

On top of that, numerous inspection groups descended on INTERPEGRO. At the company, nobody questions their activity. However, the frequency of inspections is ominous: as one group enters the special room for inspectors, the previous one leaves.

Today

Despite these and other problems, INTERPEGRO is doing fine. Last year, the export plan was set at 18 million rubles and about \$20 million! All of that is done... by a staff of only 160. Calculating turnover per employee, we can

say with a clear conscience that this is one of the best such companies in Poland!

Let us add here that INTERPEGRO does not end with the head office in Warsaw. The so-called locals have greatly contributed to its success. There is an office in Lublin, where 11 staffers manage exports going into millions of rubles. A 3-person branch in Paozyna is known all over Slovakia, where it also tends millions, bringing sought-after goods to Poland. An office in Poznan operates along the same lines. And how can we estimate benefits of the operation of the "Pegrotour" travel agency? Planters from all of Poland visiting large exhibitions familiarize themselves with the achievements of the best in the world. Upon returning, nobody asks why these particular apples, garlic or onions are not export quality...

INTERPEGRO also has a one-of-a-kind curio. This is a farm in Chruscina, Opole province. It is difficult to imagine that this enterprise operated "in the red"--and by so much!--all the time, having a 500-hectare farm, of which as many as 22 hectares were greenhouses. The annual loss was 70 million zlotys!!! From July 1986 on, when the partnership took over the enterprise, something suddenly changed. Some talk about a miracle: all of a sudden, people stopped being sick in droves, the so-called excessive fuel consumption in transportation came down to a normal level... After a short while, it turned out that many people could not measure up to new responsibilities and had to find another job...

"We keep a running score of Chruscina's results, and it turns out to be a winning proposition. If not in 1986, after 6 months, than in 1987 we will begin making money there..."--says Krzysztof Soczewica, the economic director of INTERPEGRO.

In honesty to this interlocutor of mine, I must mention here that he was yet another person who did not want to discuss the operations and problems of the partnership. Others responded in the same vein: let us not do it, what's the use, better not to stir the pot, all we can do is antagonize them, we will be accused of complaining.

Tomorrow

The staff of INTERPEGRO are not very much inclined to talk about the past, though they have nothing to be ashamed of. What about the future? We won't learn any specifics about it either, because the foreign trade license of the partnership has been revoked by the Ministry of Foreign Trade. It is clear what that means. If nothing changes, from 1 January on INTERPEGRO will be simply choked by the previously contracted deliveries. If the avalanche of onions, apples or a lawful of flowers won't choke it, the partners who will not know what to do with their harvest will literally do just that.

So, this is the entire story of a company which has made such a strong showing in so short a time and in which a group of people had the drive to prove that unquestionable success is possible even under these difficult circumstances. The world-renowned British newspaper, FINANCIAL TIMES, devoted several phrases to INTERPEGRO in July. Of course, it mentioned the revocation of a foreign

trade license for one of the most rapidly growing enterprises in the country. The following statement was found in that publication: "...the development of INTERPEGRO was followed with hope by the reformers; however, at the same time it caused fears among the competitors operating in the market for years...". Does this require any comment?

Pestered many a time by yours truly, head of INTERPEGRO Zbigniew Hryniewicz persistently refused to answer any questions. However, he eventually agreed to a short conversation. This is what he told us:

[Answer] I have thought and still think that at the very least several more similar companies could be set up and operate splendidly without any harm to the country. The more of us there are, the more ideas we will generate, the easier it will be for the decision-makers to select the best and grant them preferences for vigorous activities. This also means that everybody will work better and more efficiently. Mistakes? They have been, are being and will be made. After all, we learn from our slip-ups. The point is to have as few of them as possible.

[Question] Are you not afraid of competition?

[Answer] It may be overconfidence, but I am absolutely not afraid. We have a group of people here who can rise to any challenge and have already proven themselves in difficult situations. However, only our immediate families know how much work goes into this and how much sacrifice. Time and time again, you have to stay on the job a dozen hours a day, shipping goods in or out, often on Saturday or Sunday. This is exactly why we are hurt, hurt indeed by malicious remarks about INTERPEGRO and its staffers. This has got nothing to do with the results of our work.

[Question] What happens if you do not get back your revoked license soon?

[Answer] This would mean that it does not pay to be good.

INTERPEGRO sets forth its argument in several petitions to, among others, the head of the Tax Office in Warsaw and the Ministry of Foreign Trade, requesting that its concerns be taken into account. Individual partners are protesting attempts to restrict operations. Others interested in joining the partnership are waiting with hope for an end to this dispute.

What is the result going to be? It is difficult to say. However, there is no dearth of either optimism or work in INTERPEGRO.

[Editorial note] After signing this material to press, we learned that the minister of foreign trade retracted the earlier decision to revoke the foreign trade license of INTERPEGRO.

9761
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FOOD WASTAGE DEPLORED IN LIGHT OF FEEDER SHORTAGE

Zielona Gora GAZETA LUBUSKA in Polish 26 Nov 86 p 3

[Article by Jerzy Nogiec: "Common Pot: On the Periphery of Economics"]

[Text] At one time a reader sent me a letter in which, on the basis of many examples, he calculated that we are suffering losses as the result of our careless attitude toward food. I regret not having kept his letter. I only used an excerpt from it on potatoes, but I remembered something from the letter, and I would like to go back to the problems he brought up, because a question has come up again in the papers: When are we going to be able to stop importing grain?

Well, one of the answers might go like this: The sooner we learn how to use crops and food properly, the sooner we can stop importing grain. Let us stop to consider some of the issues.

The reader mentioned that at the Goraj PGR Complex's Mechanization and Chemical Application Plant a very efficient chaff catcher combine had been built, but you have to look very carefully to find a combine operating with such a catcher. Because more and more grain is being harvested with combines, more and more chaff, which is perfectly good fodder for hogs, is carried away by the wind.

I drove up to Goraj. The catchers are no longer being made there, and the catchers are no longer used in the complex itself. Each year there grain is harvested from about 8,900 hectares. I had it proved to me that they do not pay on large farms. It would require the commitment of a great deal of transport and construction of huge storehouses, because chaff is very bulky.

The reader was familiar with this line of argument and in this connection asked whether technology could not be developed to turn the chaff into briquettes or whether private livestock farmers could not gather the chaff after the PGR combines had gone over the fields.

Are these questions without any foundation?

Everyone knows that we are not very thrifty in the management of potatoes. It is estimated that the losses caused by poor storage, losses incurred in the

course of handling, and wastage in the form of garbage which households throw out run around 30 to 40 percent. If we take the upper figure, then if the harvests are on the order of 40 million tons, then the losses amount to 12 million tons.

It is impossible to avoid losses of potatoes altogether, but they can be reduced to about 10 percent. This is the figure attained in the GDR. They can still be a little smaller, if, as in the more advanced countries, the potatoes are processed industrially right after harvesting and turned into dried flakes or powder, pancakes, french fries, meal, or noodles or are stored in special storehouses following radiation using special equipment. The reader realizes that we cannot make up for neglect in potato management in a single day, but that is why he wonders why we are conducting an "antithrift" policy in the management of fodder raw materials here and garbage.

If pennies have recently shrunk for grain imports, then at the same time we have to consider how to make use of what might replace grain as fodder. Everyone knows that daily we throw out 1,000 tons of potato peels, valuable fodder, and bones from which valuable fertilizer and feed mixtures can be produced. It is difficult to gather up this waste, especially in large complexes, but again these losses could be greatly reduced, if we were to expand mass catering and to prefabricate more items. To take another example, in the GDR tremendous emphasis is placed on the development of mass catering and a network of restaurants, canteens, cafeterias, and primary among all considerations for such a policy is the rational management of food. In the mass catering establishments just about 100 percent of the food left over is used.

Following this idea I turn to the statistics. For example, in the large town of Gornow there is a total of 3,561 consumer places in socialized gastronomy. This is far too few statistically. From this must be subtracted the number that are closed because of staff illness, those closed on Sundays, those that operate after 1300 hours, those closed for cockroach hunts, and so on. The few small private facilities alongside the socialized network do not play a very large role. We do not have enough canteens and cafeterias either, and the way some of them like those at Ursus, Ruszarnia, and Stolbuda, even the least fussy people are repelled. The prices are another factor. Compared to the average earnings, they are decidedly too high. The prices are the result of the high direct costs, the waste, the lack of respect for economic theory in the catering establishments, and also, even primarily, the tremendously high taxes on restaurants. Hence the zloty taken as a tax on catering must be repaid with a dollar spent on fodder imports.

Therefore, I guess we have to agree with the reader who asks why we are so quick to give up trying to utilize fodder that is nearly free, that is, what is going to waste. In addition, in the case of a great common pot, the consumption of energy to prepare the average meal is far less than in a private household.

Naturally, it is not a question of driving all Poles to that common pot, but it is a question of conducting such a policy that will make Poles glad to go to a catering establishment or canteen, that will see that they do not have

far to go to get to one, that they do not have to wait a long time for a free table, as the Gorkow residents in the Gorkzyn, Dolinki, or Staszica neighborhoods do, and finally that a family dinner out will not ruin the household budget.

The above-mentioned reader advised me to have a look at the refrigeration equipment in the stores. Frozen and prepared food are one of the ways to save food. These items, usually ready to serve after only being heated, are wastefree. I often even look into these freezers and coolers. Once I went especially on this account to the "Jadwiga" SAM supermarket in Gorkow. There were many frozen prepared dishes, lots of noodles, pierogi, stews, ragouts, vegetables, and even pizza, but there was a hodge-podge in the containers, some of the bags were ripped only, and the information inside was illegible. Undoubted progress. In other words, six of one and half a dozen of the other. There is waste here too where should not be any.

In closing I ask whether we really have to import a whole 2 or 3 million tons of grain each year.

10790

CSO: 2600/266

OPINION POLL MEASURES PUBLIC'S DEBT AWARENESS

Warsaw POLITYKA (POLITYKA EKSPORT IMPORT supplement No 1, Jan 87) in Polish No 1, 3 Jan 87 p 19

[Article by (an): "What People Think"]

[Text] How large is our foreign debt? How have we come to have it? Will we ever repay it? How?

A survey including the above questions was conducted by the Center for Public Opinion Research among 1,473 adults from all over the country.

Awareness of the size of debt among those surveyed turned out to be poor. Only 5.2 percent of them quoted the correct figures, whereas about one-half "hit it" give or take \$5 billion or less. Twenty-seven and a half percent did not venture to name any amount; 1.9 percent estimated it to be a dozen million dollars, and 1 percent--\$100 billion or higher. Only 2 percent quoted ruble debt along with debt to the states of the 2nd [payment] zone [capitalist countries].

Those polled were overwhelmingly unanimous as to the reasons for the high growth of debt: among 10 reasons mentioned, as many as 67.4 percent of responses indicated mistakes in economic management at the central level (in position 1, 2 or 3); 17.4 percent had no opinion on the subject.

Paying interest on debts accumulated in the 1970s, US sanctions against Poland, lack of persistence in implementing the economic reform and inefficiency of foreign trade were mentioned as secondary reasons by 31 percent of those polled; 28.6 percent recognized low productivity of labor to be such a reason, and 27.7 percent--mistakes in enterprise management.

Responding to the question about the possibility of repaying our debt, the populace surveyed split into three roughly equal groups: one saw such a possibility, another did not see it at all, and the third said "I don't know."

Those who thought it possible to repay the debts, gave the most varied conditions for doing so. About a dozen percent demanded to this end each of the following: increasing exports and labor productivity, and persistence in introducing the economic reform. Here is a typical statement: "This may come

about in 70 to 80 years, on the condition that labor productivity in the country increases, the management of the national budget improves, production for export grows and the quality of goods produced in the country improves" (electronics specialist, 20).

Dependable and diligent work by the entire society, as well as "putting the good of the country above one's own interest" (bricklayer, 50) were recognized to be a basic condition for repaying the loans. Others mentioned various conditions, such as the level of foreign trade operations etc. However, two extreme and diametrically opposite stands accounted for only 1 percent each. The first stresses the need for far-reaching sacrifice on the part of the populace ("If we want to shorten the period of repaying our debt, we should, first, increase the export of our goods and, second, tighten our belts. If we go on living unconcerned about repaying the debt, the next generation may have to repay our debts"--an officer, 60). The second calls for changing the [political] system: We will pay off the debt "quickly if we join the West. We should keep company with the rich" (a resident of a 100,000 population city, neither studying nor working anywhere, 28).

A certain segment of those surveyed recognized that remedial measures undertaken and intended are correct, but did not believe that it was possible to carry them out. Likewise, those who believed that the debt can be eliminated emphatically stressed the difficulty of doing so.

9761

CSO:2600/350

DOMESTIC VCR PRODUCTION PROSPECTS

Warsaw KURIER POLSKI in Polish 4 Dec 86 p 1, 2

[Article: "Waiting for the Polish VCR: Home Movie Theater Getting Closer and Closer"]

[Text] World production of the VHS video recording system this year will reach nearly 30 million units. Our share will represent only a small drop compared to this flood of production. The M. Kasprzak Radio Plants in Warsaw are setting up their own information series of a local MTV-100 design VCR, to number in the dozens.

In addition, not a single one will get beyond the gates of the plant. The ones produced will be tested in all possible ways. When everything proves to be all right, then real production will get under way at the beginning of the next year. Unfortunately this will still be on a limited scale, because there are plans to make only a few thousand of the MTV-100. Home moviegoers will not be happy either to learn that the customers for even these sets will largely be institutions.

Nonetheless, the Kasprzak plants will be third only to Grundig and Philips in independent production of VCRs on the European market, which is completely dominated by the Japanese. Independent in that cooperation with famous companies is not easy. The business leaders from the land of the cherry blossoms are very careful in approaching such proposals.

Thus, although the MTV-100 will consist largely of domestic parts and subassemblies -- the proportion of imported components, even those like the picture tube and microprocessor, will be gradually restricted -- its utilitarian values will nonetheless approach the parameters of VCRs currently being produced in the West. The registration of color signals in the PAL and SECAM systems, a program making it possible to record four broadcasts during a 2 week period, an electronic clock and tape running counter, prompt (fast-forward) and review (reverse) modes, an eight-channel tuner, and automatic front-loading device will all be part of the MTV-100. Nonetheless, although in a comparison of VCRs made by ZRK with those made by Japanese producers the ZRK versions may seem less favorable in many Polish households, the proposed price seems more accessible. The MTV-100 will run about 250,000 zloty.

As Dr Engineer Tadeusz Ducal, assistant to the plants' chief designer, confided in us, ZRK still has an ace up its sleeve. Production of the MTV-100 is a special notion in the minds of the management and workers, and the main goal is to master the difficult art of manufacturing VCRs. This stage will make it possible to initiate operations on a broader scale. In 1988 the first MTV-200s should roll off the assembly line. Let us add that this is still a secret.

10790

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VIDEO EQUIPMENT MARKET SURVEYED

Warsaw TRYBUNA LUDU in Polish 24-25 Jan 87 p 5

[Article by (J. Jur.): "What? When? For Whom?"]

[Text] At present, there are over 150 million video cassette recorders in the world; nobody is in a position to say how many cassettes there are. What about our country? This is still a novelty, still fashionable and, as usually is the case, expensive. However, by now it is obvious that this fashion has caught on.

In Poland, private owners get hold of VCRs by purchasing them abroad or at the PEVEX [Internal Export Enterprise] (last year, 35,000 VCRs and 900,000 blank cassettes were purchased there) and as gifts to school and youth clubs and cultural centers.

Tapes

According to estimates, we have between 500,000 and 700,000 tapes in our country. On top of that, there are over 2 million recorded cassettes with Polish and foreign movies available from 20 state-run rental agencies (more than 200 are expected by 1990), private rental businesses licensed by local authorities and an extensive network of unofficial rental businesses offering a great variety of movies and recordings brought to the country legally or illegally.

It is legal because a taped movie or program can be brought to our country. It is illegal because it is forbidden to import cassettes with movies or programs running counter to the principles of laws in effect, e.g. pornographic movies or those glorifying violence and racism.

Therefore, rental agencies are operating in our country, and their offerings are at least in part controversial. It is necessary to develop our own video production, to deliver VCRs to the market at reasonable prices and videocassettes with a competitive varied offer of movies and entertainment

VCRs

It is known that the Kasprzak enterprise will turn out a trial batch this year. Government-level decisions have already been made. The Presidium of the Committee for Science and Technical Progress of the Council of Ministers will assist the enterprise in starting up and developing production. Fifty units have already been made; by the end of the year, 2,000 should be produced, in 1988-30,000, in 1989-60,000, and in 1990-100,000. This will be a VHS standard video cassette recorder designated MTV-100 (video household system). In mid-1988, the same enterprise will begin producing more modern MTV-200 VCRs.

The 'Diora' enterprise in Dzierzonlow will produce a trial batch of medium-grade VCRs in 1988, so as also to reach 100,000 a year in 1990.

According to the above decisions, cassettes will be produced to the same standards at 'Stilon' in Gorzow, this year 500,000 and in 1988-2 million. The enterprise has a government order, and, therefore, funds and hard currency. At first, the tapes will be assembled from imported components, so as to switch to elements produced in the country as production grows and the technology is mastered. These will be cassettes for up to 4 hours of recording time.

A tremendous organizational effort needs to be made in order for this to happen (only the 'Kasprzak' has some experience in producing VCRs, because they did it in the 1970s, up to 20,000 a year. Committing the funds, overcoming technological barriers, mastering microprocessor production in a sterile environment, and high technical skills are needed. This would allow us to achieve a new dimension of quality in the electronics industry, but the undertaking is complicated and demanding. Specialists know that.

Movies

The Film Releasing Enterprise has already begun purchasing movies abroad with video in mind. Thus far, 14 movies have been acquired; further transactions are being negotiated. Polish productions will also be videotaped (dramas, TV movies, entertainment and children's programs). Also interested in recordings are the TV, Interpress-Film and the KAW [National Publishing Agency]. They say that for the video program to be attractive, rights to between 2,000 and 3,000 foreign movies should be purchased right now, and later 2,000 new ones should be acquired every year. This is a tremendous expense, because on the average rights to a Western movie cost \$1,500.

At the first stage of Polish video development, the VCRs will find their way more often to video clubs rather than private homes. The first video clubs or video cinemas will begin operations this year. According to the plan of the movie picture industry, by 1988 there should be 2,000 of them, and in 1990-10,000. The industry will also begin copying studio cassettes (using purchased technology) to the tune of 40,000 a year, in 1988-1989--100,000, and after 1990--500,000.

Clubs

Video clubs and video theatres will be set up in small towns and areas of large cities which do not have cinemas. They will fill in this gap, and perhaps become a place for interesting meetings.

Realistically, by 1990 we may expect VCRs to be available for the household; the network of rental agencies will also be greater. Two or three more channels of national TV, cable and satellite TV may be a quite formidable competitor. Then every TV viewer and movie devotee will indeed face the necessity of choice.

9761

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CIVIL DEFENSE TRAINING CALLED COLLEGE TEACHERS' OBLIGATION

East Berlin DAS HOCHSCHULWESEN in German Vol 35 No 2, Feb 87 (signed to press 10 Dec 86 pp 47-49)

[Article by Dr Renate Schaum, instructor in Economics, and Karl-Larsen Suttner, research assistant in Economics, both of the "Carl Schorlemmer" Technical College in Leune-Merseburg: "The Students' Civil Defense Training Creates Legal Obligations for College Teachers and Academic Staff Members"]

[Text] Civil Defense ("CD" in the following article) is a firm component of the security policy of the socialist state and an integral part of the national defense system. The specific tasks and measures of CD guarantee protection from disasters and serious damages, as well as defense of the socialist state, its citizens and all accomplishments of socialist society. In this context, the defense and maintenance of peace as well as the protection of the citizens and all socialist achievements made by them form a unified system. The main tasks of CD can be summarized as follows [1]:

1. Preventive disaster protection for averting and fighting catastrophes and eliminating their effects.

In connection with the struggle for order, security and discipline in all fields of the national economy this task is of special importance for the daily CD operations.

2. The organization of the protection of the population against damages, disasters and other destructive forces.

Here it is especially important to provide citizens with the knowledge and ability to help themselves and each other in emergency situations, and to prepare the material basis for measures of protection and aid.

3. The protection of the national economy, essential institutions and cultural assets.

Here it is especially important to provide, in cases of destruction, damages or losses, the essential needs for maintaining the life of society, e.g. to maintain the production processes of the national economy, or guarantee their resumption within a short time.

4. The training of CD personnel.

The goal of this task is to guarantee the manpower for accomplishing the tasks listed above, to prepare personnel for rescue, recovery and repair work in order to eliminate or reduce any possible damages done to the affected population, equipments or industries.

Socialist Civil Defense--Total Social Concern, Right and Obligation of Citizens

The main tasks of CD, briefly outlined above, make it clear that CD is not to be conceived as the responsibility of specific government departments, but rather as a total social concern of all government offices, all businesses and institutions, all social organizations and citizens, that is as a system with overlapping social-individual interests.

CD requires the cooperation of the citizens on a broad scale. According to article 23 of the GDR Constitution [2] the protection of peace, of the socialist homeland and its achievements is the basic right and obligation of GDR citizens. Basic right and obligation form one entity. This basic principle of the Constitution finds its concrete application for CD in the Defense Law where Par 6 Sec 1 determines that all GDR citizens have the right and obligation to cooperate in preparing and performing CD measures that include participation in training and exercises.

In terms of legal obligation, the cooperation with CD is therefore in principle the obligation of all GDR citizens, regardless of their social position, with due consideration for individual circumstances.

Civil Defense Training--Part of Academic Curricula

For the higher education sector there are several different ways of participating. An important one, serving the procurement of CD personnel, is the CD training of students. This work imposes on GDR universities and institutions of higher education (combined under the title of "higher education institutions" in the following text) as institutions of research and education on the highest level an important CD task that is derived from the socio-political functions of these institutions. The GDR Constitution determines already in Article 17 Sec 1 that science, research and education serve, among other things, the protection of the life of society. This basic challenge finds its concrete application in various legal regulations governing the higher education system. Proceeding from the general social mission of higher education institutions to train students toward achieving a high level of political and professional knowledge and to be willing to defend their socialist homeland (Par 2 Sec 2 HS-VO) [3], the CD training of students is mainly concerned "...with instilling an awareness and recognition of the fact that CD measures are an integral part of the total tasks of protecting peace and socialism..."[4]

As part of their academic curricula, the future graduates are to be instructed in CD techniques that will enable them to fulfill their obligations in their future places of work also with regard to CD tasks. Every higher education

graduate must therefore possess the qualifications necessary for implementing CD measures pertaining to his profession and for giving basic and continued training in basic CD techniques to workers in his field of responsibility.

The Ministry of Higher and Professional Education has special responsibility for materializing the graduates' curriculum plans. This responsibility includes the task of ever increasing the effectiveness of political-ideological and philosophical training (Par 3 Sec 1 No 1 MHE-statute-VO (5)), and of determining the principles of socialist military training according to the guidelines of the appropriate central government authorities. For this purpose the minister for higher and professional education issues legal directives (regulations, implementation directives) and makes central individual decisions (decrees, instructions (6)).

For students, studying at a higher education institution means a high social distinction and a personal obligation toward the working classes and the socialist state (this is also implied by Par 22 Sec 1 of the Youth Law (7)). This obligation includes the task of acquiring the knowledge and skills—including those pertaining to CD—necessary for the defense of the socialist homeland (Par 24 and 25 Sec 1 of the Youth Law). At all higher education institutions, therefore, all students are given instruction in CD techniques that are appropriate to the context of their specific professional training. As a part of this training, female students or students not suitable for military service as well as reservists who have not completed their military service to the same extent as the reservists who have attained military qualification take during their second year of study CD instruction in form of a course that constitutes an important and extensive aspect of CD training and is part of the curriculum. Its contents and study programs are of normative character. Required participation in the appropriately provided training classes is therefore an integral part of the course and discipline of study as well as a precondition for the successful completion of study at the higher education institution.

Implementation of CD Training of Students—Legal Obligation of Higher Education Instructors and Academic Staff

The inclusion of CD training of students in the curricula results in special challenges to the faculties. This is due to the fact that the overwhelming majority of the leadership cadres responsible for the CD training of students consists of higher education instructors and academic staff members. These cadres must therefore have the political knowledge and professional ability to fulfill through their own active cooperation the tasks of CD training required by curricula and courses of instruction.

Often there still exist legal uncertainties in answering the question whether participation in curriculum-oriented CD training of students as leadership cadres and participation in activities leading toward qualification in CD training are part of the legal work requirements of higher education instructors and academic staff members, or whether this participation is to be conceived merely as an honorary duty within the context of political-moral responsibility. The answer to the legal question must start with the statement of the fact that the social obligations and legal requirements addressed in

general terms to all citizens as legal subjects, as pointed out in footnote 2 above, are also the basis of the higher education system where they take further concrete form. The responsibility for materializing higher education regulations lies with the minister for higher and professional education who, according to Par 5 Sec 3 of the Defense Law, also has the function of CD director for his field of responsibility. This function includes the authority and obligation to take all required measures, including necessary decisions, for organizing CD activities within the context of the appropriate legal regulations. On this legal basis the minister for higher and professional education issued directives for organizing CD training as part of the curriculum, and these directives authorized directors of higher education institutions to make individualized decisions that appoint higher education instructors and academic staff members as cadre leaders in CD training. This authority is supported by other legal regulations pertaining to higher education. Higher education instructors are obligated, e.g., to contribute with their achievements to increasing the strength of the GDR, and to train and educate highly qualified socialist persons who are able and willing to bear social responsibilities and defend the GDR, their socialist homeland (Par 1 Sec 1 and 2 HBVO [8]).

The obligation to support the educational and training processes is also a part of the responsibilities of the academic staff (Preamble and Par 2 ff MVO [9]). The general tasks and duties that are set down for higher education teachers in the higher education teachers' vocational manual and for the academic staff in the academic staff manual have labor law character and in this context constitute legal obligations (the legal content of labor law relationships) for the specific tasks of this employment group, and these tasks are then given concrete formulation through individual actions such as appointments, work contracts, function plans, regulations, directives, and others. In addition, CD training of students—as has already been explained—is regulated in a normative way in the curricula and instructional programs, and also in special process-related decisions of the minister for higher and professional education. By being placed in these documents, CD training of students as a component of instructional and educational activities became one element of the tasks of higher education teachers and academic staff members. As a component of the pertinent study documents, CD training is part of the tasks of training and education that are the work obligations of higher education teachers according to Par 1 Sec 2 2 HBVO and of the academic staff according to Par 3 Sec 1, 4 Sec 1, 5 Sec 1, 6 Sec 1 Par 7 Sec 1 MVO.

Because these general tasks are given concrete form through the respective work relationships, higher education teachers and academic staff members have the obligation to fulfill the specific tasks given to them in the context of the training and education processes. The legal obligation to assume training and education activities within the context of CD training is therefore not based on additional legal work agreements. The director, who has the authority to give directions to all staff members, is therefore authorized to assign to qualified higher education teachers and academic staff members these specific tasks through individual decisions that have the character of legal regulations and are the basis of concrete work obligations (Par 82 Sec 1 and 2 AGB [10]).

However, these decisions must also take into consideration the legitimate interests of those affected by them, such as family conditions, health, age, etc. This requirement corresponds with a generally valid labor law principle and is even more important if a particular CD activity is to last for several weeks and takes place at a training center located a considerable distance away.

Discussions about whether the director's authority is limited by par 6 RKV Higher Education System [11] and 85 Sec 1 and 2 AGB to the extent that the transfer of a work assignment to a training location outside the higher education institution locality is permissible only with the consent of the employee are in this case considered irrelevant especially because they would eventually lead to the practice of completing a regular course of study on the basis of regulations pertaining to legal exceptions. The regulations mentioned above cover situations that are not included in the conditions of the existing labor law relationship. But this kind of situation does not exist in the cases discussed here because the CD training of students becomes an integral part of the work assignment by virtue of the labor law relationship of higher education teachers and academic staff members. As a supplementary measure, the work assignment must be explained to employees in concrete terms and its essential features put down in writing when the labor law relationship is established (Par 73 Sec 2 ABG). This covers also the duties and special work assignments regarding the CD training of students. When labor law relationship is established, each higher education teacher and academic staff member should therefore be informed that, if necessary, the assumption of leadership functions in the CD training of students is part of his work assignment. This will result in sufficient clarity regarding the content and extent of the work assignment as the core of responsibility in relation to labor law. When function plans are available or in the process of being prepared, they should include CD training of students as a part of the work assignment. This will then make it clear that there is legal obligation to give CD instruction as part of the work assignment also in places where a particular kind of training has to be given so that the labor law phrase "different work locality" cannot be applied here. This is the more valid as the localities where under certain conditions the CD training of students takes place are as a rule not known at the time when the labor law relationship is established so that only general information about these localities is possible and considered sufficient.

A different legal interpretation would unjustifiably limit the authority of the directors to make decisions regarding the assignment of cadres in this important training sector.

It has already been pointed out that CD training of students contains specific educational, political and professional challenges that vary depending on the kind and form of training. Whereas the specifically professional CD training gives instruction in specific techniques that are adapted to the students' eventual professional work and can therefore as a rule be given only by professionally specialized instructors, the CD training given as a course of instruction pays special attention to future work assignment, corresponding to basic study directives, in industries or local CD groups. This form of training that, in addition to providing intensification in selected special

skills, has the purpose of giving future graduates a solid, practical knowledge of basic CD skills can in principle be carried out according to function-related instruction by any member of the higher education faculty. It is therefore the task of all higher education institutions to assure the employment of leadership cadres from the ranks of higher education teachers and academic staff members on a personal basis, and to guarantee the professional preconditions of the leadership cadres. The most effective form of attaining qualification have proven to be specialized courses with centralized instructional goals provided by the ministry for higher and professional education. Here, higher education teachers and academic staff members can qualify for the work assignment that has been agreed upon. They are obligated to take and pass these courses (Par 149 Sec 2 AGB).

A higher education teacher or academic staff member who declines to carry out tasks within the context of the CD training of students or refuses without valid reason to qualify for these tasks is guilty of violating his work obligations, and the application of disciplinary action according to the Labor law must then be investigated. In summary the following can be stated:

—The fulfillment of tasks within the context of the CD training of students constitutes for higher education teachers and academic staff members a uniform obligation resulting from their status as citizens and from labor law regulations.

—Higher education directors are authorized to determine for higher education teachers and academic staff members individually prepared duty assignments with regulatory character.

FOOTNOTES

1. See Par 5 Sec 1 "Law on National Defense of the GDR—Defense Law" of 13 Oct 1978 (GBL I No 35 p 377) and "Regulation on Disaster Protection" of 15 May 1981 (GBL I No 20 p 257 bar No 25 Par 312). See also Schuetze W "CD for Everybody" Berlin 1963 p 11. See also, among others, "Regulations on the Training of Citizens in Basic CD Techniques" of 3 Aug 1981 (GBL I No 25 p 312).

2. See the "Constitution of the GDR" of 6 April 1968 in form of: The Law on Amendment and Change of the GDR Constitution of 7 Oct 1974.

3. See also "Regulation On the Obligations of Higher Education Institutions and Scientific Institutes with Higher Education Character" of 25 Feb 1970 (GBL II No 26 p 189).

4. See also Boehme H J "CD Training of Students at Higher and Professional Education Institutions in the GDR" in: "Protecting and Helping" No 6/1981 p 2.

5. See the "Regulation on the Statute of the Ministry for Higher and Professional Education Institutions" of 15 Oct 1969 (GBL II No 89 p 547).

6. Called "instructions" according to Par 13 Sec 4 MHF statute and in management practice.
7. See the "Law on the Participation of Youth in the Formation of the Developed Socialist Society and Its All-Around Support in the GDR" of 28 Jan 1974 (GRL I No 5 p 45).
8. See the "Regulation on Appointment and Status of Higher Education Teachers at Scientific Institutes of Higher Education—Higher Education Teachers Appointment Regulation" of 6 Nov 1968.
9. See the "Regulation on Academic Staff Members at Scientific Institutes of Higher Education—Academic Staff Members Regulation—of 6 Nov 1968 (GRL II No 127 p 1007).
10. See the "Labor Law Code for the GDR" of 16 June 1977 (GRL I No 18 p 185).
11. See also the "Skeleton Collective Agreement on Conditions of Work and Wages for Employees of Higher Education Institutions, Medical Institutes, and of the Independent Scientific Institutes under the Authority of the Ministry for Higher and Professional Education, and of other Institutions" of 1 Sep 1980—FDV Higher Education System—in form of the first appendix to the FDV.

8889

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REGIME TAKES MINORITY PROBLEM TO VIENNA CSCE

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 6 Mar 87 p 5

[Article by "V.M.": "Hungary Takes Minority Problem to CSCE--Strong Attacks from Bucharest: Interference in Internal Affairs"]

[Text] Vienna, 5 March--The Hungarian delegation to the Vienna CSCE follow-up conference has announced that it wishes to co-sponsor the two resolutions on nationality issues already submitted as a "co-author." This concerns a proposal by Yugoslavia to include a statement in the final act of this conference calling for "absolute fulfillment" of all obligations connected with the safeguarding of the rights of nationalities which have been spelled out in all previous Helsinki documents. This also includes the right to maintain contacts with the mother country. The second resolution which Hungary wishes to support was originally submitted by Canada. It calls on the member states to do their utmost to enable nationalities and minorities to preserve their specific cultural heritage.

In a statement before the Vienna conference, Hungarian delegation chief Erdoes pointed out that primary responsibility for the nationalities issue does rest with the nation in which these nationalities actually live. He added, however, that it should not be assumed that "the world community as well as those nations desiring to maintain contact with minorities outside their own borders can simply stand by unconcerned about how these issues are treated in the other country." The development of democracy in every country must be accompanied by a "sound, reasonable and magnanimous nationalities policy," Erdoes said. In that sense, there are "both national and international aspects" to the nationalities issue.

Without a doubt, the Hungarian initiatives in Vienna are based on a decision by the Budapest government to stand up for the interests of the Hungarian minority living in Romania more openly than heretofore. The steps already initiated by Hungary have elicited violent Romanian reactions. To a large extent, these have been directed against the three-volume "History of Transylvania," published by the Hungarian Academy of Sciences in Budapest some weeks ago. A few days ago, Romanian party chief and head of state Ceausescu launched a strong attack on Hungary at a meeting of the so-called "Councils of Nationalities" which includes representatives of the Hungarian and German minority. Subsequently, SCINTZIA, the Romanian party central newspaper, has

been devoting a great deal of space to identical statements by the alleged representatives and to a "resolution" by the so-called Hungarian nationality council. This "resolution" openly refers to intervention at the Vienna conference and calls these attempts at "interference in internal affairs outrageous." Referring to the "History of Transylvania," the "resolution" speaks of "historical tracts from the Hungarian People's Republic" which "falsify" Romanian history and are reminiscent of the "Horthy era." It is worth noting, however, that none of the allegedly Hungarian-nationality spokesmen who attacked the Budapest policies is known as a recognized representative of Hungarian cultural life in Romania.

9478

CSO: 2300/205

KADAR'S NEW BOOK, 'RENEWAL OF SOCIALISM IN HUNGARY' REVIEWED

Budapest NEPSZABADSAG in Hungarian 7 Nov 86 p 7

[Article by Erno Lakatos: "History and Historic Lessons"]

[Text] "The renewal of Socialism in Hungary" is an accomplished fact. It is for this reasons that this concise statement serves as an appropriate title for Janos Kadar's newly published book. It is a collection of 28 carefully selected speeches and articles. As its bibliography suggests, the collection represents only one tenth of the works that reflects and enhances the reality of an era of three decades.

Looking back we find a period of Hungarian history with an abundance of struggle as well as accomplishment. These decades provided their contemporaries with the adventures of action and life. They hold a far-reaching message for posterity. As to its contents the key words are: "History and Historic Lessons."

Any 30 year period may be perceived as an era. Viewed in the total context of historic processes, the 30 years that had their beginnings in 1957 are by all means a period in our history worthy of that designation. Defeat of the counter-revolutionary insurrection, working class power-stabilization, consolidation, socialist agricultural reorganization, economic management reform, and last but not least the evolution of a socialist democracy--a substantive feature of our state and society. These are headlines that signify the milestones of socialist renewal in Hungary.

An appropriate question: can this collection provide a true picture, a clarifying evaluation of the past for future use? Can this historic era be presented in the framework of brief selected works? Can the milieu in which definitive decisions with respect to the nation's development were made, be properly reflected? The answer is unequivocally "yes," if for no other reason because the selected speeches and articles summarize all of the historic changes of the recent past, and all of the basic elements that determined the [course of] development.

To be precise we must add that even though all of the speeches and articles contained in this volume were delivered or written after 1957, by virtue of the nature of the subjects treated, and thanks to Kadar's methodology, quite frequently, perhaps regularly, these writings reach back and reflect upon times prior to 1957. Primarily and predominantly they reach back to the social crisis of the early 1950's for the better understanding of, and to shed light upon the causes of the subsequent national tragedy. But beyond that, the writings reflect upon the abundant resources of socialism: the magnificent dynamics of the democratic-socialist transformation that began in 1945. But more so, the writings reach back several decades prior to 1945, to times when the historic development of the working class party provided guidance in the complex and difficult task of reorganizing that party, so that it returns to the standards and methods of Lenin and becomes responsive to new needs. It is in this way that the new volume is more than a chronicle of the past 30 years. It is a conveyor of lessons learned from history that preceded those 30 years. It is an encyclopedia of principles, facts and data.

Although limited in size by necessity, this volume conveys, analyzes and explains the main trends of this era in conceptual unity. Individual segments reflect the same spirit, the same loyalty to political tenets, the same ideological stability and consistency as does the entire volume.

It certainly is no coincidence that the volume opens with a January, 1957 statement made at the 10th plenary session of the National Council of Trade Unions (SZOT), and ends with a June, 1986 speech before the Hungarian-Soviet friendship meeting at the Manufacturing Works of Csepel. This format in itself conveys the scope of the two solid pillars upon which the policies of the MSZMP rest: confidence in the working class and in the masses on the one hand, and cooperation with the socialist community, the Soviet Union, on the other.

The basic tone, the ideological platform of the newly reorganized party is firmly established at the outset. A consolidation of Hungarian society, the stabilization of socialist positions, the appropriate interpretation and realization of the Party's public leadership role, the application of the policy of alliances, and the evolution of socialist construction can be achieved on an ideological level only, by consistently applying the principles of Marxism and Leninism in the domestic context, keeping in mind historic antecedents.

With respect to the causes and lessons of the 1956 counter-revolution, Kadar had this to say in November, 1959, at the 7th Congress of the MSZMP: "The first comprehensive and systematic Marxist analysis and official position of our Party's CC concerning the October, 1956 counter-revolution is contained in the CC's December, 1956 determination. At this time, speaking to the Congress assembled, three facts had to be pointed out.

"First, all of our findings concerning the counter-revolutionary nature of the events that transpired during the initial days of November, 1956 and in subsequent days, were found to be correct. Facts discovered subsequently have confirmed the correctness of this finding.

"Second, our Party's evaluation of the causes and moving forces of the counter-revolution have been accepted and are being shared by the working people of Hungary.

"Third, our evaluation has been accepted and approved by the entire international communist movement, and by progressive people throughout the world." (Pp. 92-93.)

The ideological and political foundation established in our Party CC's December, 1956 determination served as an evolutionary basis for the renewal of socialism. This renewal may be characterized by undaunted idealism, political stability, consistency, as well as by respect for reality.

At the December, 1961 meeting of the PPF, Kadar has spoken on several basic issues of importance. His remarks pertained to public life and to national unity. It was then that the statement that since had become a popular slogan was made in public: "Yes, we perceive it this way: the one who is not against the Hungarian People's Republic is with the Hungarian People's Republic; the one who is not against the MSZMP is with the MSZMP; and the one who is not against the PPF is with the PPF." (P. 144.)

And further: "... Marxist-Leninist ideology, the Party and the PPF should be viewed as weapons, both jointly and individually ... We are not building socialism because there exists Marxism and Leninism that prescribes our tasks ..., the truth of the fact is the reverse: we need a viable ideology, we need a viable Party, we need a viable PPF, we need to build a socialist society because these are the factors that assure a better life for people and allow our country and our nation to flourish." (Ibid.)

And then: "Leadership is not synonymous with ruling, and the work we do serves the most sacred purpose: serving a socialist Hungary, the Hungarian People's Republic and our people. We must always be aware that we are not a new group of select people destined to govern. We are people who have been called to serve the nation." (P. 145.)

Finally: "We are being judged by the pace in which the economy and culture develops. This is so, because the economy and culture affect the people's lives most directly." (Ibid.)

All statements are in this vein. They reflect Kadar's political habits, his statesman-like style, his human conduct. To be sure, the latter appears only indirectly, in the form of flashes. Far more is being revealed of Kadar's political skills, his statesmanship and his humanity through his approach and method by which he realistically examines processes, then draws conclusions.

By virtue of this volume, Kadar does not intend to "create" history. He examines the motivating factors of various events, as well as the causes of the ups and down in the course of development, the lessons to be learned, and the causes of successful and failed undertakings. His writings are factual throughout. The play on parallels makes his statements come alive: theory versus practice, goals versus means, achievements versus mistakes, public affairs versus private affairs, variables versus the invariables, light versus

shade, national versus international, today versus tomorrow. All this reflects his consistency and depth of thought. Speaking of the grave socialist crisis that took place between mid-1953 and mid-1957, he mentions that the public mind had been exposed to a severe, negative impact. At the March, 1981 CC meeting he had this to say:

"The negative impact I have in mind materialized in the form of a penalty we paid for distortions, mistakes of the personal cult. By this I mean the following: if for example we want to straighten a warped phonograph record, we first must bend it beyond the even level, and only then may we restore it to its proper shape. Accordingly, while we were doing this at the political level, we had to make concessions with respect to every substantive issue. This is what I am referring to when I refer to the penalty we paid for the damages caused by personal cult. And this is the source of the negative impact, the effects of which can still be felt today. These negative impacts also affect human norms." (P. 298-299.)

Three years later, once again at the CC meeting, the same candid and critical approach characterized a Kadar statement that assessed our economic situation. (The text became public by virtue of this volume.)

"Those who truly believe in reform and thereby wish to serve the purpose of social development, should also, please, consider the weed, and should also, please, tell us when and how we are going to eradicate the weed so that we may proceed on the road to reform." (P. 349.)

This volume almost exclusively deals with our country's, our society's, our Party's situation, problems and tasks. It does so by using a very practical approach; it speaks in the context of current issues, in the spirit of Marxism and Leninism, with due consideration to our country's features and traditions. This is one of the best characteristics of this selection. In his various speeches, but even more so in his writings, Kadar uses a practical approach, nevertheless one that is always guided within definitive ideological parameters. Notably: "Of the Experiences of the Hungarian Class Struggle;" "Some Experiences Gained from Socialist Construction in Hungary;" "Lenin, the Theoretician and Organizer of Socialist Construction;" "Internationalism Today;" "Socialism, the Main Trend for Global Development."

The foreign policy of the Hungarian People's Republic and the international activities of the MSZMP are treated in a relatively sparse manner, nevertheless they are being presented in a sharp focus.

Kadar has this to say in his article entitled "Hungary and Peace in Europe," published a year ago:

"History is a teacher. We have learned the lessons of our history. Everyone can understand the experiences of a nation that is most frequently struck by wars because of its geographical location--the area of the Danube and the Tisza, the cross-roads of warriors. For this reason, the peace, security, friendship and cooperation of European nations means more than mere rhetoric to the socialist People's Republic of Hungary. It means long-range policy

that has been based on solid grounds, with the recognition of vital interests, and with due consideration to historic experience." (P. 380.)

Still from the Hungarian-Soviet friendship meeting that took place this past summer at the Manufacturing Works at Csepel: "We may proceed faster on the road to socialism by further developing the multiple relations between the Soviet Union and Hungary, and by taking better advantage jointly with other socialist nations, of emerging opportunities in the international division of labor within CEMA. I can confidently report to Comrade Gorbachev and to our Soviet friends: in the future, all of our friends may count on the Hungarian People's Republic as a solid socialist nation. With respect to cooperation, they may view us as reliable partners." (Page 398.)

The volume entitled "The Renewal of Socialism in Hungary" shows epochal achievements in every field of life. In spite of these facts and achievements that are beyond dispute, Kadar's book serves as a constant reminder that there still are circumstances that make our work difficult, both within and outside of our control. As if the lessons and experiences of the past 30 years had been condensed in this single paragraph of the closing speech:

"In recounting all of our present difficulties, I know that the tasks before us are not small. But I also know that we have been in situations that were a hundred times more difficult, and that the joint forces of the Party, of society, and of the people collectively were able to master situations, were able to overcome obstacles, and were able to show incredibly good achievements. At present we have much more strength. Our nation and our Party is more experienced and more mature. Its base of knowledge is by far richer than it was before.

"I trust that by mobilizing all of our forces and by being properly motivated, our Party and our people can accomplish all that is required for the implementation of the determinations made by the 13th Congress, and all that is necessary for the fulfillment of the 5-year plan, as well as of the current year's plan." (P. 398.)

The statements that condense many years of experience in the struggle for socialism provide self-confidence and a useful companion to every reader.

12995
CSO: 2500/63

SOVIET FRONT STUDENT GROUP ON GOALS, MANEUVERS

Warsaw SZTANDAR MLODYCH in Polish 17 Nov 86 pp 1,5

[Interview with Josef Skala, chairman of the International Student Union: "Freedom and Books," by Marek Rudzinski]

[Text] [Question] One hundred and ten national student organizations from more than 100 countries belong to your union. This is a tremendous potential. How is it used?

[Answer] We are using it as best we know how. We are using it in our struggle to make the right to education a genuine right for all humanity, so that it does not remain a social, ethnic or even racial privilege, as is still the case in dozens of countries. We defend the vital interests and inalienable rights of students. We organize international cooperation of all student youth to achieve these goals.

A solution to these problems certainly is not to be found solely in the academic sphere. Solving them also depends on whether peace can be preserved in the world and on the degree to which the ideals of national independence, democracy and social progress can be realized. This is exactly why the mass movement united in the International Student Union has become an indispensable participant in the broad worldwide front struggling for the common values and goals of anti-war and progressive forces.

[Question] The International Student Union has just celebrated its 40th anniversary. Would you like to mention your foremost achievements?

[Answer] You have already answered this question in part. I am referring here to your previous question. Have you ever heard about any international union of students, past or present, which would unify the forces of students in so many countries and over such a varied spectrum of political, philosophic and, frequently, religious convictions? This variety does not prevent us from having a clear-cut program. Perhaps, our greatest success is mainly the fact that an organization this big rallies around this program.

[Question] We live in an era of tremendous technological acceleration. However, it is not proceeding at the same rate in all countries. Is this process reflected by the curricula?

[Answer] The fact that this gap is still widening rather than narrowing is an anachronism and an indictment of our times. More precisely, we are talking here about some actors on the contemporary historic scene who place their egoistic class interests above all of the human rights on which they so poignantly dwell. As the UNESCO has recently calculated, a new record has been broken--at present, there are close to 1 billion illiterate adults in the world!

Here is another issue: let us look at the US, a country with an outstanding level of science and technology. However, in that very country there are more unemployed per 1,000 persons with college education than per 1,000 of other employees. More than two-thirds of the students have to work, and not only during vacations, in order to be able to study. More than one-half of all students drop out of universities and other colleges after 2 years, and therefore merely with a certificate from some training course.

None of this is the curse of the providence. This is affirmed not only by the achievements of countries of which people's Poland is one. Let us look at the case of Cuba. Before the revolution, it was no less backward in the educational and cultural sense than its Central American neighbors. At present, it is among countries with the highest average educational level on the entire American continent.

[Question] The world association of students tackles on a daily basis issues such as peace, disarmament, struggle against colonial oppression. How do you link these concerns with the everyday interests of students?

[Answer] We link them to the degree and in the way they are linked in real life. Let us not play philosophers here: what do the young talented people of Namibia need? Just more teachers, books and rulers? Most of all, they need freedom and peace. This is why they struggle for them fully aware that upon securing them the most pressing problems of students will be solved. This is why the International Student Union also supports the demands which bring together our peers and other patriotic and democratic forces.

This is not to say that we neglect specific needs and interests of the students. You certainly know why our delegation is in Poland right now. We are hereto take part in the inauguration of the year of culture of the ZSP [Polish University Students Association] and the 7th Festival of Student Culture of the People's Republic of Poland and also give support to this action in the months to come. It seems to me that this is a response to the apprehension which could be detected in the context of your question.

[Question] In many countries, functionaries of organizations belonging to the International Student Union are subject to persecution and sometimes death. How does the union help its members?

[Answer] As best we can and in a variety of ways, beginning from scholarships which we annually give to more than 100 young people from various developing countries and to mass campaigns. Let us take one example. Recently, the 10th anniversary of the Soweto tragedy came. In response, the International Union of Students initiated mass actions by our member organizations. Within the

framework of these undertakings, we did not restrict ourselves to demonstrations and other activities aimed to persuade the governments to impose sanctions on the Republic of South Africa, but also raised funds to help university and high school students in that country.

[Question] Several times, attempts have been made to split the International Student Union and set up another student organization. Why?

[Answer] First let us mention what you did not complete in your question. There have been several such attempts, from the 1950s to the early 1980s. They have come to a sorry end, one after the other. Sooner or later, the US press itself would unmask very unappealing masterminds behind these unions--I mean the CIA and other cloak-and-dagger characters.

As far as the motives for such actions are concerned, I have already responded to this in the beginning. Do you really believe that our program would draw applause in Washington, Tel-Aviv, or in the NATO headquarters?

[Question] The ZSP was the founding member of the International Student Union. At present, the ZSP discharges the functions of the deputy chairman of the union. What is your view of the contribution by the Polish students to the operation of the union?

[Answer] The going has not been easy for the ZSP, especially in the beginning. It is exactly due to this that the ZSP has produced more resolute and talented people. I am proud of them. Many of them are my friends. This is not a cheap compliment, I say that in all sincerity. Also, two of your countrymen are the ones I can rely on most in the secretariat of our union. May the ZSP have increasingly better luck; in the future, it may count on the wholehearted support of the International Student Union in everything that binds it to the entire international democratic student movement.

9761

CSO:2600/364

ZSMP COMMISSION TO STRENGTHEN YOUTH PATRIOTISM, DEFENSE

Warsaw TRYBUNA LUDU in Polish 17 Dec 86 p 2

[Article: "Youth's Defense Obligations"]

[Text] There is a Commission on Patriotic Formation and Defense Preparation that operates within the Main Administration of ZSMP. Alongside youth activists from all over the country, the commission is made up of representatives from the military, social organizations, and institutions interested in this area. This group, most generally speaking, has set for itself the goal mainly of raising the political consciousness of young people, of preparing youth for basic military training, and of popularizing military education in preparation for the career of officer and ensign in the Polish Army.

At the commission's plenary session on 16 December, there was a summation of the results of the commission's work during 1986. It was emphasized that this was a rich period in many various undertakings related to the Tenth Party Congress and the tenth anniversary of ZSMP. The activation of local ZSMP groups in working with recruits was especially noteworthy. This was obvious in ZSMP's joining in on a wide scale in the organization of farewell celebrations for the people going off to the army and in greeting reservists returning home. Attention was given to the need for better access to reach all reservists who joined ZSMP in the service and to involve them in active work of the organization.

Knowledge about military education was also broadened in various ways. Meetings between army cadets and people attending ZSMP activist schools or training camps were very valuable. This approach bore the following fruit: 28 percent of the candidates accepted this year into officers colleges were members of ZSMP, and 20 percent of them had ZSMP's recommendation.

The careful preparation of all groups to participate in the "Track of Conquerors of the Pomorski Bank" sports rally was emphasized. This could not be said about the military sports meet.

The commission accepted the operating program for 1987. The decision was made to modify the slogan of the competition: "We are strengthening the defense and internal order of the country." Among the major tasks for the future was

listed a group of problems related to the development of historical consciousness among youth and participation in the commemoration of the 70th anniversary of the October Revolution. The need to consider the attractiveness and effectiveness of previous forms of work in patriotic and defense formation was pointed out.

10790

C30: 2600/376

LOMZA PZPR COMMITTEE, YOUTH GROUPS DISCUSS YOUTH ISSUES

Bialystok GAZETA WSPOLCZESNA in Polish 4 Feb 87 p 2

[Article: "Unknown Law : On Youth in Lomza Voivodship"]

[Text] (From our own sources) Members of the PZPR Voivodship Committee Secretariat and executive committee in Lomza met in more than a dozen localities and workplaces of the voivodship with representatives of the younger generation representing various social and occupational groups. Members of the voivodship party echelon received a number of comments, opinions, and suggestions concerning the problems of this group of residents, as well as those of a general social nature. They also presented to the young people the previous contribution and planned activity of the party and administrative officials.

The youth law passed in May of last year has not received enough publicity, and information about the law is often reduced to the very fact that it was passed. This is the first reflection from the meetings. The second concerns the general attitudes of young people. Predominant among these attitudes is the conviction of impotence and lack of faith in the effectiveness of their own action and that of organizations.

The reason for these attitudes, as the discussion showed, lies in the absence of support from party and trade union organizations and in the inertia of youth groups that have no precise program of action.

Another problem is the sociovocational adaptation and personnel policy. Here young people express many reservations and point out that this is the basic reason for the excessive turnover.

Finally, the social sphere, as noted in the waiting time for apartments and the shortage of places in nurseries and preschools. At the meeting between representatives of ZSMP groups from Lomza commercial enterprises and Tadeusz Zaremba, First Secretary of the PZPR City Committee, and City President Wieslaw Debinski, attention was given to the absence of greater initiative on the part of the youth organizations and the lack of cooperation with the basic party organizations and trade unions.

Lomza commercial firms employ about 4,000 persons, over one-third of them young people, often with small children. They are mainly affected by the above-mentioned shortages and problems.

Is it really impossible in Lomza to resolve the problem of leaving children in preschools and nurseries later than, for example, closing time in the shops? Is it true that the commercial enterprises that have their own building groups cannot afford joint plant construction? The Lomza Construction Enterprise [LPB] is in a position to put up more buildings than it does. The thing is the finishing. Initiative and desire on the part of young people and plant management is needed.

10790

CSO: 2600/432

PUBLIC AFFAIRS ACTIVITIES OF INTERIOR MINISTRY HIGHLIGHTED

Warsaw NOWE DROGI in Polish No 3, Mar 86 pp 85-87

[Article by Zbigniew Pudysz: "Ministry of the Interior in the Polish Legal System"]

[Excerpt] II. Activities in Legal Education

In looking at the Ministry of the Interior as a part of the system of government organs and its activities in streamlining organizational structures forms of operation and other measures aimed at optimal fulfillment of tasks set for this ministry, we cannot pass over its activities in legal education of the populace.

Efficient operation of the state and its apparatus depends to a considerable degree on awareness of the law. The latter is an instrument of the operation of the state, the essence of which hinges on the nature of its political system; it is a factor contributing to organizing and instilling order in social, economic and cultural life, and outlining the scope of duties and rights of citizens with regard to the state. Legal awareness molds civic attitudes, morality and customs.

Taking into account the current status of legal awareness and culture in our society, the PZPR CC Politburo adopted "The Program of Legal and Civic Education of the Populace." Specific tasks for the organs of state administration are set by the program.

In conjunction with the goals set by the program for the Ministry of the Interior, the minister issued an order which initiated the implementation of "The Program of Activities by the Units of the Ministry in Legal Education of the Populace." It outlined the topics, forms and means of implementation, as well as the organizational units responsible for fulfillment.

In practice, these tasks are carried out in two spheres of activity of the minister of the interior and of organs reporting to him: broadly defined protection of state security and public order.

Ministry personnel have taken part in carrying out the tasks set by the program in cooperation with the Ministry of Justice and the Prosecutor's Office, e.g. in propagating the laws on amnesties and the 1985 laws on specific legal liability and on amendments to some penal law provisions and the law on misdemeanors. Issues of highway traffic safety were widely

publicized. Many efforts were made to communicate to the public new passport regulations.

Over 2,000 meetings were held with the workforces of enterprises and institutions, as well as social organizations, including young people at schools, where regulations on protection of property and consequences of the failure to observe them in the light of completed preliminary investigations were discussed, as well as basic duties of citizens and guidelines for organizing associations and holding meetings.

The Academy of Internal Affairs organized scientific conferences on highway traffic safety and prevention of drug addiction, whereas the Investigations Bureau of the Ministry of the Interior, in cooperation with the Chief Military Prosecutor's Office, organized a symposium on crimes against the basic political interests of the PRP.

The scope of preventative and upbringing activities of the boards for misdemeanors was widened and their forms were enriched, with a view to their rulings receiving social acceptance by the working people and facilitating growing legal awareness of the populace. In conjunction with this, board members were requested to prepare, halfway through their terms, a report on their activity to the group which nominated them as candidates for board members.

Popularization of the law also involves activities aimed at comprehensive familiarization of the SB [Security Service] and MO [Citizens' Militia] members with the law, elucidating through interpretation and commentary the provisions difficult to understand or their relationship to other regulations and legal acts.

The following should be mentioned as the most important undertakings in this sphere in 1984 and 1985:

- preparation for official use of a collection of regulations, containing texts of laws and accompanying executive regulations, issued in 6,500 copies, which were distributed to all units of the ministry;
- adjustment of the curricula in colleges and schools of the ministry to the needs of developing knowledge and skills for accurate implementation of programs following from the above legal regulations;
- organization of periodic training of key cadres in individual service departments, taking into account specific tasks of these services;
- popularization activities among the populace aimed at the widest possible communication of the law on the office of the Council of Ministers.

During these presentations, information detailing these regulations was furnished to the PAP [Polish Press Agency]. The interview was made available to the national and regional press. Publications carried by TRYBUNA LUDU and RZECZPOSPOLITA were prepared. A discussion of the basic aspects of the law

was presented on the radio and TV as well. Interviews with the minister of the interior were carried by daily and weekly publications.

- publication of detailed guidelines for the ministerial department of training and WUSW [Provincial Office of Internal Affairs] legal counsellors on implementing legal regulations affecting the office of the minister of the interior, with the request for WUSW chiefs to render necessary assistance;

- publication of the quarterly BIULETYN PRAWNY, which carries information on current topics concerning application of legal regulations, as well as precedent-setting rulings;

- encouragement for legal counsellors of the offices of internal affairs to publish most significant legal information and reviews in the bulletins published by individual WUSW;

- influence on the ZPP [Association of Polish Lawyers] and members--lawyers belonging to it to persistently instill legal knowledge among high school students and other social groups, especially on the legal basis of activities by the ministry, and at present also on the origin and social objectives of the law on specific criminal liability and amendments to the penal law and the law on misdemeanors;

- publication of articles on legal topics in the weekly W SLUZBIE NARODU;

- participation in legal counselling for both functionaries and citizens.

It should be expected that these actions will considerably promote further enhancement of the significance and quality of the law in the Ministry of the Interior, also contributing in this way to carrying out the agenda set by the 17th PZPR CC Plenum in reinforcing the rule of law and raising legal awareness of the populace.

9761

CSO:2600/364

PRON'S DOBRACZYNSKI ON SOCIAL ISSUES, WORK ETHIC

Warsaw SLOWO Powszechne in Polish 16-18 Jan 87 p 3

[Interview with Jan Dobraczynski, PRON national council chairman, by Stanislaw Wlazlo: "Combine Action for Common Good"]

[Question]: The Patriotic Movement for Polish Rebirth has a very precise name, and at the same time one that demands a great deal. It is supposed to be a movement with a Polish identity committed to working for the common good of that nation. But remember certain sharp disputes which went on at the beginning of the movement concerning its name. Supposedly these were disputes over the name itself, but actually they were over its essence. The years that have passed have not extinguished the conflict over PRON's essence. Another symptom is to be found in those both at home and abroad who are becoming worn out with the unswerving patriotism of Jan Dobraczynski, who is both a Catholic writer of incomparable contribution and at the same time the chairman of the PRON National Committee, a man who serves not illusions but the one true Poland that really exists.

What would you like to say about the patriotic wisdom that we need today, because of both the enemies that are still active and the inherent Polish lack of judgment that appears here and there?

[Answer]: I do not think that I can say anymore today on the subject of "patriotic wisdom" than I said in 1981 and 1982. A man has one country, and it should be the greatest earthly treasure for him. After all, any threat to his country is always a threat to the life of those nearest and dearest to him.

A person's country is not some sort of varnished ideal. It is a human reality. It may pain us to see that in certain matters as a nation we are worse than others. After all a person is not offended by his own parents or his own nation. The only response one can make to the discovery of certain weaknesses is greater love. He does not reject his country to seek another one where things are better, and he does not take offense at it, joining the chorus of those who abuse it. I do not think that those who do that are true children of their country. You must offer your country everything, especially when it is in danger, from either within or without.

The concept "inherent lack of judgement" is a difficult phrase. Poles really are careless and usually do not stop to consider until after the harm has been done, but awareness of our own carelessness makes it all the more imperative for us to deepen within ourselves the ability to think of more than just ourselves. The most dangerous thing is to decide: since things are going badly with me, let it all go. Let us learn to remember that no person or entire generation can be allowed to sacrifice the past or the future of the nation for his own benefit or his own ambitions.

[Question]: A picture of the author's world view and identity is reflected clearly in all philosophical history. Your writing is deeply rooted in Polish history as well as in the history of Europe, cohesively integrated with the history of the Church and Christianity. The thousands of years of this history contain complete examples of the great programs which various nations and countries have embarked upon, both successfully and unsuccessfully, to bring about a renaissance, especially a moral one. In this context and in the light of your own world view, how would you assess Poland's contemporary problems of national rebirth and moral rebirth?

[Answer]: The usual rhythm of human history consists of declines and rises from declines. A person or nation can always fall, but I am convinced that one can rise only if he recognizes and admits his own errors, if instead of lamenting he takes all possible steps to pull himself out of them. When we trust, the help of grace comes to us.

We are a nation that is unusual in a certain sense, because we fall often, but we have always gotten up again from our fall. It is not without reason that we consider this to be the work of the help of the Blessed Virgin Mary.

There are signs that at this moment we are in danger of losing our moral balance. Certain public opinion research done among our college students, 80 percent of whom consider themselves Catholics, say painful things. More than 80 percent of our young people drink. Only 18 percent stayed "dry," maintaining the "August abstinence." Only 50 percent of the believers attend Sunday Mass, and 44 percent do not go to Confession at all. The overwhelming majority are in favor of divorces, abortions, and sexual relations outside of marriage.

Docent Dr Kinga Wisniewska-Roszkowska writes (ZŁOTY DŁUZEJ, No 11, 1986): "As the so-called sexual revolution developed between 1950 and 1980, the annual number of divorces quadrupled, cases of desertion increased 500 percent, and the number of suicides and crimes among children under age 14 quadrupled...Each year 30,000 children are born out of wedlock, about 10 percent of families are mothers alone, and each year about 15,000-20,000 girls under 18 years of age have their first abortion. The total number of abortions is estimated at 600,000-800,000 per year." (I think it is far more.) "...There are more and more pregnancies among girls of 13 or 14...About 90 percent of young couples engage in sexual intercourse before marriage, and in about 60 percent of the cases, the couple marries because of pregnancy...In the area of sex, marriage and family life are the basic aspiration and good of the human person, but it is sexual liberation that most effectively destroys them. The more there are of these premarital 'tests' and

'proofs of love,' the more divorces. Guided by the principle: 'it is not marriage but love that entitles people to intercourse,' these young people are degrading marriage..."

But at the same time we are still maintaining a large number of vocations, and insofar as vocations to religious orders are concerned, there is a constant rise. The churches are full. There is very great participation in sodalities. The interest in questions of faith is on the increase.

We can say that there are simultaneously two opposing trends. History teaches us that upward efforts never take place rapidly. Sudden mass "conversions" are usually a phenomenon that has nothing to do with religious life. I think that alongside the above-mentioned signs of decline, which are among other things the consequence of a naive fascination with the West, there are the more important signs that religious life is deepening.

I personally believe that the Eucharistic Congress and preparations for it will turn minds from "simulated" Christianity to the deepest truth held by the Church, the truth of the lasting real presence of Christ in our lives.

[Question]: As a nation we do not live in isolation but in a family of nations. Compared to the others, tendencies to nationalism or national egotism, to say nothing of racism, are practically zero in our country. Poland has always had more foreign nationalism than Polish nationalism, but there sometimes appears in our national history a phenomenon that we negatively call "parochial patriotism." For the program of Polish national rebirth, what are the important factors of attitudes towards neighboring countries, the prospects for a European community (from the Atlantic to the Urals), for the prospects of moral order in the world family of nations overcoming the attitudes which threaten the existence of us each and everyone today with the tensions between East and West, North and South?

[Answer]: We have never been nationalists, that is, people who were convinced that we are "uber alles, uber alles in der Welt." This does not mean that we have not been or are not a nation unaware of its goals and obligations. The term "Poland, bulwark of Europe," though true during the period of Legnica, Varna, Khotin, or Vienna, was later overused, but the battle cry: "For your freedom and ours" was an expression of the conviction that Poland, despite the fact that it is a medium-sized country, has a historical duty to others.

Poland's great mission lies not on the battlefield but above all in working to unify the world. During my recent visit to China, I was shocked by the words of a Chinese student who when asked what she knew about Poland named Copernicus and Chopin. It seemed to me that I could get the sense of the issue in that response. Two Polands: one, a Frombork canon, defender of Warmia against the Teutonic Knights, was what united humanity in the awareness that everyone belongs to the same community under the same natural law; the other, a musical genius, created beauty to an equal extent, captivating people of various races, beliefs, languages, and cultural regions.

[Question]: When it is a matter of internal Polish matters, we all agree about the importance of the process of general national understanding. I do

not want to stop at this undoubted universally felt progress in this area, but are these exclusively our own Polish problems, or should we see and resolve them in just a internal Polish context?

[Answer]: We talk a lot about national unity. It is absolutely necessary for elevating the country out of the economic decline, but let us consider whether national unity is not also necessary for us as a nation to contribute to unification of the world, which is so splintered by hatred and greed for possession.

The best thinking is thinking about great matters. We will look at further prospects for our action, and then the minor conflicts about "compromises" will become simply funny.

[Question]: Here you are showing the basic principle of living in terms of supreme values and issues, in order not to become stuck in the mire of minutiae and trivialities. It is also probably obvious that the basic contribution of national understanding consists of organizing the thinking of Poles around supreme national and state goals, but why is this so difficult to achieve on the broad social scale? Is there no pressure here operating in the form of a special sort of indifference in terms of moral world outlook, in the form of a restricting or distorting of ethical awareness?

[Answer]: If "small" matters so often hide "large" ones from our view, I think that this is the result of being too subject to the passive fascinations of modern civilization and its heralds, the mass media. Modern technology and knowledge have created undoubtedly magnificent things, but this magnificence has its dark side. The automobile and airplane were really miracles of human genius, but millions of cars on crowded streets and aircraft equipped with weapons of destruction can become the nightmare of humanity.

Refined prosperity, seen in the motion pictures, awakens temptations and desires. It is easy to forget that this superprosperity is not given to all but only to a small handful of people. Living in such a way these people simply steal millions from the hungry, who are deprived of the essentials. We have to have our eyes very much fixed on ourselves to imagine that we Poles can afford the life of the film studios where the tables cover themselves with good things.

The basic principle of the national rebirth must be: Is the fact that things are good for me perhaps not at the cost of others? There is no morality without responsibility. For anyone who does not feel responsible for the have-nots, morality is only a matter of words.

[Question]: When it is a question of a host of major needs for moral rebirth, it would take too much space just to name and justify them. I want to stop only long enough to consider one aspect of one of these problems, the problem of the rebirth of Polish work. As a writer you are also known for your exceptional industry and consistency. Being in yourself the rudder, sail, and ship, you probably do not have difficulties in having a "true sense" of your work, but John Paul II, in Katowice-Piekary (20 June 1983) assigned an important rank still to the problem of "a true sense of human work," which

indeed does depend on "basic principles of social order." The Holy Father expressed a very decisive view: "Man cannot work when he cannot see the meaning of his work, when this meaning ceases to be clear to him, when it is somehow hidden from him." In your view, what is the situation with current problems of renewing the general sense of the clarity of the meaning of Polish work?

[Answer]: The Holy Father's words about a "sense of the meaning of work" are words concerning an extremely important matter. It is true that it is difficult in certain occupations to notice this "meaning." Can the worker in a great factory that produces, let us say, automobiles notice this "meaning"? In China -- I am going back to my recent observations again -- in every factory, when I asked a worker about his work he said: "Half of our production goes for export. The more we export, the better we will all live."

This statement certainly has some sort of response to the question about the "meaning of work." I think that it may be particularly timely for us, because anything we earn through export represents a reduction in the tremendous burden of debt that we are carrying around on our shoulders. We repeat this argument, and we shall repeat it in PRON discussions, but the real "meaning of work" is something far greater than thinking about exports.

[Question]: Among PRON activists too there are people who relate the problems of the moral rebirth largely to combatting what we call the social evils. Meanwhile, the social evils are not the source but the fruit of evil. They are the symptom of a profound, extensive sickness of the organism, which distributes these contaminated fruits in the mass media. In your view, what is the correct diagnosis of our society's moral weakness and evil? What sort of means should be taken, when we know that the infected social tree will not be cured with moralizing or persuasion?

[Answer]: For a long time now I have been calling attention to the fact that the fight against the so-called social evils is a battle with the effects of the moral ills of the society, that the disease is cured mainly through prevention, so for social pathology we have to start with finding the root of the evil and getting rid of what creates that evil.

Drug addiction is one of the contemporary ills, but at the foundation of addiction is the lack of a sense of responsibility, a lack of commitment to some greater cause, a lack of the will and desire to work, the possession of money acquired without effort, foreign models that are praised, thoughtlessness. We should get at these things. The young people who use drugs are people without upbringing and moral training. Unfortunately, we have stopped bring up our young. We must get back to doing it.

The same thing holds for crimes in the sexual realm, above all the frequent rapes. We have too many pseudoteachers who proclaim the "sexual revolution" and teach by force even children about what their sex lives should be like. Nakedness and eroticism have dominated motion pictures and television. The findings of Dr Wisniewska-Roszkowska cited above show what results this teaching and urging have in terms of married life. When the figures for rapes and assaults on women go up, let us take a look at the articles and statements

which we are using so enthusiastically to teach young people about their sexual needs. They proclaim the "sexual revolution," and the victims of this revolution are the young people.

When the society has a disease, it must be treated, but these diseases do not come out of nowhere. .

[Question]: The second PRON congress will come a month before John Paul II's pilgrimage to our country. What relationships and differences do you see between the activity of PRON and the sociomoral content of papal teaching during the past two pilgrimages? What sort of conclusions do you draw from them for the future?

[Answer]: Among PRON's tasks, problems of moral rebirth come to the fore. I am convinced that the second congress will devote a great deal of attention to them. PRON's activity and the teachings of John Paul II converge. Of course, there are differences. We Catholics see a simple relationship between spiritual life and morality. Non-Catholics taking part in PRON also sense the need for morality -- and this is not a different morality but the same one as the one we have -- but I see different incentives. Working together, we want to join all efforts and methods, ours and theirs, for the common good.

10790

CSO: 2600/432

OPZZ DEPUTY ON 'INDEPENDENT' TU'S, CRZZ COMPARISON

Warsaw SZTANDAR MŁODYCH in Polish 19 Nov 86 pp 1,3

[Interview with Romuald Sosnowski, deputy chairman of the National Trade Union League, by Jerzy Gierszewski: "We Do Not Lack Vigor"]

[Text] [Question] We are supposed to discuss trade union pluralism. Meanwhile, OPZZ [Trade Unions; founded 1984] Chairman Alfred Miodowicz has stressed many a time in his speeches that there can be only one union per enterprise, not several.

[Answer] This stand is a consequence of the experience of the most recent history of trade unions in our country. The August of 1980 taught us a lot of positive things, but it also gave us quite a [bitter] lesson. We can now say that the cost of trade union pluralism at the time far outweighed the benefits. A split in society, in many families, torpor and anarchy in social life--this cannot be forgotten.

[Question] However, differentiation lasted only for a dozen months. Can we pass such far-reaching judgments after such a short period?

[Answer] The reasoning that this period was too short for permanent accomplishments can be accepted. However, our present reality, which compels us to make utmost use of everything that unites us rather than divides, provides no time to contemplate it theoretically. Besides, the present format of the trade union movement has not been finalized yet. We have operated for merely 2 years, so let us give ourselves a little time to adapt and test the concept. We have not forgotten the lesson of history, hence at present enterprise locals are truly free to handle their own affairs. The concepts of work by these organizations have not been invented someplace at the top, but have originated and continue to originate on the spot, at the enterprise. At present, there is no demand in Poland for centralized trade union authority.

[Question] Realities of the enterprise lie closest to the people, and they view the trade union movement from that angle. Some of them argue that there is no variety, and the choice for them is to either belong to the existing trade union in the enterprise, or not to belong at all.

[Answer] If we restrict ourselves only to unions, then there is indeed no other choice. However, it should be remembered that for a socially involved person wishing to do something for others, an enterprise also has employee self-government, a party organization, chapters of [other] political parties and many different social organizations. In other words, all that is needed is the desire to change our reality, because there are possibilities for that, and quite great at that.

[Question] Yes, but there are those who are interested only in trade union activities, and they believe that the party sometimes interferes too much and steers the undertakings of trade unionists.

[Answer] The current practice is that the party operates in trade unions not in the institutional manner, but through its members who also belong to the union. However, we should note that there are over 6.5 million members of trade unions, of whom only about 1 million are party members. Besides, at present members of a union committee are not called to the [party] committee for upbraiding should the trade union organization pass a resolution which displeases the party organization. In all likelihood, from time to time there are such attempts, but they are thwarted by the party itself. The point is to provide an opportunity for presenting independent points of view in the trade union forum, where people belong regardless of their political convictions or worldview.

[Question] We have established that at the enterprise there can be no trade union pluralism. However, above the enterprise level such pluralism exists. How is it manifested?

[Answer] Through the variety seen in differing organizational arrangements. Out of 133 national organizations, a dozen are homogenous unions, similar to those in the past, i.e. the Union of Polish Teachers. Federations account for a majority in our movement. However, the trade union organizations which belong to them are not at all obligated to carry out the resolutions adopted by the federation. They can implement their own policy.

[Question] Is this not an excess of democracy?

[Answer] No, rather it is difficult, but colorful reality. It allows us to work out resolutions of the trade union movement which reflect the needs of the people.

[Question] However, as a trade union movement you do not carry enough clout to ensure that the economic reform is implemented persistently, that obstruction of policy is ultimately eliminated, which primarily occurs at the intermediate level of authority, at the enterprise level, and so on.

[Answer] I disagree with this view out of conviction, not out of spite, because, among other things, we have managed to exert such pressure that now we can talk about a systemic solution in raising retirement benefits and annuities. Shortly, we will be able to talk about a systemic regulation of the minimum salary in our country, a solution to the problem of the social and housing funds, and so on. As you can see, we are not resourceless, and we do

not lack vigor. Information on our difficult discussions and disputes with the ministries and the entire government rarely becomes known to the public, hence the common opinions which you have rendered. That the economic situation of our country restricts the efficiency of our work, is another matter.

[Question] Therefore, several trade union centers are not to be. There is no trade union pluralism in enterprises. There is the OPZZ, the chairman of which serves on the PZRM CC Politburo. Are you not afraid to be branded "the new CRZZ [Central Council of Trade Unions]?"

[Answer] Calling us the CRZZ is primarily the result of us occupying the same building where the Central Council used to be. Reality is, however, such that the inside of this building, or the people, in no way resemble the CRZZ. First, only a small group of paid staff work at the OPZZ headquarters on Kopernik Street. It is surrounded by hundreds of people who work voluntarily in 12 task groups of the OPZZ. These very volunteers work out in commissions the views and decisions which the paid staff later carry out. These commissions, where heated discussions and real brainstorming take place, are a great achievement of the trade union movement.

[Question] It is possible to voice different opinions and to carry out different concepts within the framework of trade unions, and that is good. However, is there a failsafe mechanism which purges irresponsible and incompetent people who hold trade union offices?

[Answer] There used to be many demagogues and hustlers in our movement, but by now there are far fewer of them. The mechanism you have asked about exists and works. Audit commissions at all levels carry out this function. These commissions primarily devote their time to holding people accountable for performing tasks set for them by various trade union echelons. The accounting is swift and rigorous, and it is confirmed by the fact that over the last 2 years many office holders have been replaced or resigned acknowledging their incompetence. Likewise, national organizations recalled many persons from the OPZZ. This process has been underway all the time. We already know that only about one-third of the functionaries present at the founding meeting in Bytom 2 years ago will attend the 2nd OPZZ Convention. Also, not all the heads of federations were elected delegates to the forthcoming 2nd Convention. I believe that there will be changes in many offices of the OPZZ itself. Therefore, the people are constantly evaluating their functionaries. This shows that our trade union movement has not been affected by stagnation.

9761

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CONSULTATIVE COUNCIL MEMBER DISCUSSES ADVISER ROLE

Lublin SZTANDAR LJUDU in Polish 2 Jan 87 p 4

[Interview with Prof Janusz Tymowski, member of Social Consultative Council of the chairman of the Council of State, by Alicja Basta: "Readiness to Speak the Truth; I Do Not Know How to Be Just a Witness"]

[Text] [Question]: Professor, you describe your career as a zigzag because of the truth, which you are not afraid of voicing loudly. What did you say at the first meeting of the council?

[Answer]: Among other things, I said that I could see two defects in our post-war history. We have said that work is a privilege and that the human individual is the supreme good, but in practice work is treated as a tedious duty and the human individual is often nothing. I said that improvement could begin with changing our personnel policy and with having effective social supervision of those exercising power. Such people should be compared to professors, whose character can be warped by their type of work. A professor is always right in contact with his students. Therefore it is easy for him to believe that he is right in every situation. The same goes for people in authority. Actually, a friend of mine claims that his wife exercises the function of critique in his case.

[Question]: So the people who make the decisions at each level need just such a critical wife in the form of a collegial body?

[Answer]: There are too many such bodies in our country. This is after all symptomatic of difficult periods. When things begin to improve, the councils somehow break up. I myself am a member of a group of Sejm advisers, and this has completely exhausted my political ambitions, although when I received the invitation from the chairman of the Council of State, I accepted it, because I adhere to the principle that if I can have a positive impact on something I should do it. I never knew how to just be a witness. I have always been wherever something has been going on in independent Poland.

[Question]: I recall you started by disarming the Austrians in Lublin as a POW grammar-school student. You took part in the war in 1920. During the May uprising, as an admirer of Pilsudski you defended legal authority. Then you built the Central Industrial District, Stalowa Wola in concrete terms. During

the war you were head of the AK arms industry, and after the war, director of heavy industry at various levels, finally coming to ground at Warsaw Polytechnic for many long years, achieving the rank of ordinary professor. Just about all the while you took part in various social bodies. Have these experiences been so positive that you have undertaken one more attempt?

[Answer]: I am just preparing for a session of the NOT main council. I am looking over various materials, coming to the conclusion that my 1978 address could now be delivered without any corrections. This means that my experience has not been the best, but I think that in government I have gained the possibility of transmitting to people true information that would not reach them otherwise at that level. It would be filtered out lower down. This attempt would be worth undertaking for this one task. At the outset one must also be aware that the operating effectiveness of such bodies depends on whether the people creating them are prepared to hear unpleasant things, because when something works well, people simply do not talk about it. This is an engineer's approach to matters.

[Question]: But are comments enough for councillors?

[Answer]: The desire to tell the truth is related to independence. There are not many people among us with that sort of independence. I am independent, because I am retired and am 85 years old. I do think, however, that professors have relatively the greatest independence, because what can people do to them? Make it hard for them to travel abroad? Refuse to give them the coupon to buy a car? Firing them, after all, would be more difficult, or would at least make a lot of noise. The large share of professors on the Consultative Council, the broadest social representation, I think, gives it a certain guarantee of independence.

[Question]: The councillors of previous groups were also professors.

[Answer]: A politician is not required to carry out the recommendations of his advisers, but the adviser need not sign bad decisions. He can resign. There have been those who managed to do this.

[Question]: And they are even on this council. Professor, I nonetheless propose that we now take up the personnel policy which you considered to be the second most important reason for our difficulties. What should it be like?

[Answer]: Speaking in slogans, the right person should be in the right spot. How to do this? Assess the job, but not the way the supervisor sees the employee, because the supervisor -- he also need not necessarily be the right person in the right place -- is often interested not in the results of the employee's activity but in, for example, whether the person is convenient for him or not. Therefore a periodic assessment of employees based on clear criteria known to everyone is necessary. We would not have to be geniuses ourselves. We can learn from others. Back in ancient Rome a conscious personnel policy was conducted. A young person who by virtue of his birth and abilities was to assume a high office was first sent as a young officer in a distance province, later returning to Rome and working in the city office.

Then he went way off again to help the commander of a legion, in that way being prepared to serve as governor of Gaul or Africa.

[Question]: Modern governments and economic bodies have worked out cohesive rating systems utilizing the knowledge of various sciences and modern techniques.

[Question]: But in our country the personnel officer hides behind a pillar in the dining hall and overhears what the employees are saying during the lunch break. Then he tells the boss what he heard, and together they make personnel decisions.

10790

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CHANGE IN PERSONAL IDENTITY CARD PROPOSED, EVALUATED

Warsaw RZECZPOSPOLITA in Polish 16 Dec 86 pp 1, 5

[Article: "To Improve Service to Citizens: Personal Identity Card May Replace Pieces of Identification"]

[Text] (From our own sources) One should not be afraid of everything which can be improved rather quickly to upgrade service to citizens, without deeper analysis or expert opinion, even if they are undoubtedly unnecessary. This was the key idea that went along with the deliberations of the second session of the Group on Organizational Structures of Service to the Population on 15 December. This is one of the problem groups of the Party-Government Commission on Review and Modernization of Organizational Structures of the Economy and the State. Present at the deliberations were Marian Wozniak, chairman of the commission, member of the Politburo, and secretary of the PZPR Central Committee; and commission secretary Docent Leslaw Wasilewski.

The first experts' report that was presented and which will very soon be presented to the group, will answer the question of the extent to which the personal identity card, the citizen's basic document, can replace the many other documents and certificates needed in everyday life, and also what sort of possible annotations and information it should include. Leaving the resolution of the matter for the time when the experts' report is presented, it was simultaneously emphasized that there should be an immediate battle waged without delay against the circulation of the flood of various sorts of papers and certificates being demanded of the citizen at every opportunity. These papers are often absolutely unnecessary and repeat information already on the identify card.

To this extent the regulations are clear. They only need to be followed. Therefore, in the very near future the Office of the Council of Ministers will send the offices of the local administration a reminder that in keeping with Article 220 of the administrative procedures code and many other regulations, it is not permissible to require papers and certificates giving facts which can be established on the basis of reports, registers, data, or documents which the citizen can well present for review. This principle also applies to all state, cooperative, and self-government institutions and enterprises. The other thing is for citizens to know their rights and not allow themselves to be drawn into an unnecessary bureaucratic delays and wastes of time.

Therefore it is worthwhile to know that only about 30 pieces of information are or can be written in the identity documents. They concern personal data, census and general information, civil status, employment, and so on. Therefore the proper use of documents could immediately reduce the "papermania" to which we are subjected every day and make daily life easier.

With this in mind, during the course of the discussion people proposed many improvements concerning matters which the group should take up later. For example, Prof Zygmunt Rybicki, secretary of state at the URM, speaking on behalf of one of the working groups, suggested that the circulation of documents needed by farmers, such as precepts for payment, be analyzed. Andrzej Nalecz-Jawecki, editor-in-chief of the weekly publication VETO, (as a member of the group) proposed that retired persons be allowed to collect their retirement pay without any restrictions, which would simply eliminate a whole large group of regulations to simplify life for them and for the offices serving them. "I am an advocate here of solutions that exclude each other." Ireneusz Sekula, chairman of the group, countered part of what the speaker before him had said and agreed with part of it: "That is, those solutions that create strong incentives to continue employment after retirement age is reached but suspending the rights to retirement benefits while employment continues."

M. Wozniak, chairman of the party-government commission, told the people at the meeting that to date four of its problem groups have begun work: the enterprises group, the group on intermediate structures of economic administration, the group on the center of government and the state (not counting the group on service to the population). In the very near future activity will begin in two other groups of the commission, one taking up a review of the party machinery and political parties and the other examining the apparatus of social organizations. Improvement of service to the farmer and institutions related to the communal economy are key issues of primary significance among extremely important problems concerning service to the population. Drastic improvement in procedures related to the construction of single-family dwellings is also essential. No less urgent is the need to restrict and modernize the activity of administration of enterprises and the whole production sphere, which presently employs 2.5 million persons.

10790

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WRITERS UNION PARTY ORGANIZATION MEETING REVIEWED

Warsaw KULTURA in Polish No 40, 1 Oct 86 p 15

[Article by Leszek Zulinski: "Return to Literature"]

[Text] On 19 September the POP at the Warsaw Branch of the Union of Polish Writers held its first meeting since the summer break.

I do not recall any press write-up of any party organization meeting that was so atypical for its milieu. This was not always possible nor always necessary either. Indeed, these meetings are seldom boring or lacking for some subject of discussion. Furthermore, the accelerated rhythm of political life in our country along with its special irritating resonance peculiar for the group contributed to the fever pitch of the writers' party discussions. Nonetheless, this does not mean that reason and national conscience always had the final word in the hall on Krakowskie Przedmieście, although writers desire to see themselves as people who express reason and conscience. Listening to the tirades and disputes, sometimes there was the desire to shout: "Writers, to your pens!" This suspect slogan reminded one that writers' predispositions need not at all go hand in hand with political competence, or with skill in the realistic pursuit of reality and the measuring of reason.

Nonetheless this obvious truth somehow has actually seemed to give vitality to basic dilemmas, especially during the past few years: To what extent is the literary pursuit a political occupation? What sort of political jurisdiction do creative communities have? To what extent may a writer express his political attitudes outside literature itself? And how should literature itself react to sociopolitical phenomena and changes?

Of course, nobody will ever resolve these problems unequivocally. They will come up again in each new situation. The incessant expectations of the modern political novel will be accompanied by worries about whether this novel is not sometimes an escape from more ambitious and more universal literary tasks.

After all, these doubts have also come to our lips during the past few years. There is the conviction that interesting times give rise to interesting literature. After 1980, an eruption of fascinating works important for Poland was anticipated. And surely enough, what is called hot literature soon began to appear in bookstores. And right after that there began to be

reservations about whether this is cheap, superficial political prose, whether literature was suffering from the illness of writers' asthma, and so on. Over all this was hanging the so-called problem of the extent to which our writers, whether on one side of the barricade or the other, who are, it goes without saying, representatives of the intellectual elite, understand Polish reality and can extract from it issues worth writing about.

The executive committee of the Warsaw writers' POP came to the conclusion that it was high time for party and political discussions to be held apart from the literary workplace, time for writers to remember that the chief declarations of what they desire and believe are books, that is, their concrete work.

The issue was treated in concrete terms too. At the 19 September meeting, a discussion was announced on three novels which have recently attracted notice: "Hunting Scenes from Lower Silesia" by Jozef Lozinski, "The White Point" by Wieslaw Rogowski, and "CDN" by Roman Bratny.

Three critics caused emotions to build up. Maciej Chrzanowski talked about Rogowski's book. Following rather scrupulously the prose created since 1980 he did not hesitate to describe the general background, and he made a number of bitter remarks about the direction such reading could take people. Against this background Rogowski's novel comes out not at all badly, even very well, in Chrzanowski's view. Up until now, it is the most mature novel devoted to the 1970 demonstrations, a novel faithful to reality, aiming at calm objectivism that avoids easy simplification. The author of "The White Point" has written a serious, important thing with wise political horizons.

Tomasz Milkowski evaluated "Hunting Scenes from Lower Silesia." He did not deny Jozef Lozinski's talent, but he focused on the controversies that "Hunting Scenes" had provoked. In Milkowski's view, Lozinski showed himself to be a better observer than specialist in diagnosis, but his literary effort went partly into "whistling," into the actual design of a political pamphlet. "Hunting Scenes" graze the danger of overexpression and the hypergrotesque. Reaching for language of the sort used by Przybyszewski and Witkiewicz, the author has put up an ironic, demonical spectacle in which the attitude of the scoffer and mimic outweigh politically accountable objectivism. For this reason Lozinski was more engaged in mocking than in presenting the political mechanisms of the reality he described.

Finally, there is "CDN," which, in the opinion of Michal Misiorny, is a more ambitious novel than "Year in the Tomb," but it is also only partially and winkingly a reconstruction of the above mentioned political mechanisms. In Misiorny's view, however, the book's value lies in its calm pursuit of political reasons for all sides of Poles contemporary conflict, in seeking that "third reason," which could be built on political alternatives linking community and generation attitudes and social expectations. Bratny reduced the meandering of Poles' mystified thinking and the sterility of certain emotions, but this was out of his concern to build up community, and in Misiorny's opinion this makes "CDN" a novel worth serious consideration.

All this sufficed to awaken the feelings of the people at the meeting.

Opinions were divided. Halina Janaszak Ivanickowa was the first to attack, accusing Bratny of plunging into old political problems that were sometimes antiquated in terms of the present day situation, of confusing political attitudes and orientations, of using knowledge that was too superficial and common, and of restricting thinking to points of view of certain milieus. For example, Bratny's novel has no workers, and without them a full picture of Polish reality of the past few years is unthinkable. Anyway, it is a pity that the people at the meeting did not bring up Piotr Gadzinowski's review of "CDN" (ITD, No 37), which was so eloquent in this regard. Bratny's "governmentvalet" relationship to history was adequately noted in this review.

At this Kozniewski came to the defense. Leaving Bratny's stylistic and artistic sloppiness aside, he said that the force of this writer consists mainly of his presenting his own view, of the attention to taking a stand on difficult and intricate matters. Lozinski cannot be praised for this. This scoffer is waging his own private war with the Polish language, creating disgusting scenes and standing aside, which is absolutely not permissible, in Kozniewski's view, because today you cannot laugh at both one side and the other. You have to take a stand. This also happened to Siejak at one time, and Lozinski attaches the same sort of political and literary immaturity to him.

Roman Samsel rushed to his aid, saying that irony, the grotesque, and scoffing were creative methods of equal right. Only truth is revolutionary, but the writer has the right to create a caricature of the truth, and subjective truth in general organically predominates in literature over the objective truth, and it must be this way.

All this was summed up by Jan Koprowski with exceptional reasonableness. He said that the agonizing question about the possibility of the political novel's existence in today's Poland finds an affirmative response if only in the fact that these three books are varied, different from one another, and that the modern political novel today may say something incomparably more than 30 years ago. Koprowski came out in favor of Rogowski's book, which in its intricate web of plots presents a full justification of the heroes, portraying the real drama of the workers and attitudes with which the reader can identify. In Koprowski's opinion, the basic literary mistake of scoffer Lozinski and sordid Bratny, who wants to justify everything "that flits," is that there is no way honestly to identify with anybody and anything that these authors have dreamed up.

So it came to Rogowski. "White Point" was defended in the reviews of other writers. The arguments "for" and "against" were important. In giving my report here I am purposely omitting any expression of my own opinion, but I do think that a certain line of discussion advanced by Tadeusz Zolcinski was overlooked. He stated that the books of Bratny and Rogowski, on the one hand, and of Lozinski and Siejak, on the other, were books of two different literary generations, and that in this connection we are dealing with phenomena which cannot be evaluated solely in terms of talent. A generation's attitudes toward sociopolitical reality are becoming increasingly obvious in literature, but the differences in these attitudes are so telling that they should be the

subject of sociocultural analysis. The scoffing or the political reserve of young writers is not necessarily an expression of their immaturity or escapism. They are an ideological symptom of a greater, more significant caliber.

Many basic and more general questions were formulated during the discussion. What is a political novel? What is a novel about politics? Do you have to be, for example, Putnam, that is, a bit of a politician, to create such a novel? Where do you draw the line between the right to subjectivism and the duty of objectivism? Is it enough for the writer to call out the problems or must he also take responsibility for concrete reasons and justification? Has the political novel reserved to itself the language of realism and citizenlike concern, or does it also allow for a literary experiment and even for a play on farout attitudes including scoffing ones?

Of course these questions have no sense, if they only cause arguments over verbalisms and terms, but it is also possible this is what actually happened to draw from these dilemmas problems above the academic level, problems which are exceptionally concrete in literary practice and which require choices that have consequences.

Zygmunt Wojcik stoically said by way of summary that each political novel would sooner or later have to stand two tests, the test of time and the test of truth, and with this "threat," the writers left and went home.

I myself left in a robust mood. It is true that Zofia Bystrzycka mentioned that she recalled the old years in the prose section where just about every book that came out was threshed out, but I think that this idea, which has been revitalized as a precedent, has proved to be wonderful. The party organization forum may be a plane of professional discussion. If writers want to talk about politics and they do! then it would be well for them not to forget literature on this account, because their literature is politics. Hence, ultimately a connection was somehow made with what could not be separated in this community. As a result this was one of the more interesting, concrete, significant meetings and was not limited to checking off routine party work.

10790
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PRESS, PERSONNEL CHANGES, MEDIA DEVELOPMENTS NOVEMBER 1986

Warsaw PRASA POLSKA in Polish No 1, Jan 87 p 56-60

[Article: "Chronicle"]

[Excerpts]: 1 November

Zdzislaw Brudnicki was appointed to the position of deputy editor in chief of POEZJA.

Andrzej Czechowicz was named to the position of editor in chief of POBRZEZE.

4 November

In the Warsaw Journalists House, the Club of World Outlook Journalists of the SD of Poland sponsored a meeting on the subject of the Catholic-Marxist dialogue in Budapest. Among those present were Professors Tadeusz Jaroszewski, Wieslaw Myslek, and Tadeusz Pluzanski.

6 November

At the headquarters of the Association of Polish Lawyers (ZPP), the Club of World Outlook Journalists of the SD of Poland, in cooperation with the ZPP, set up a meeting to discuss: Does our journalism correspond to the important sociolegal problems?

The role of the clubs in the life of the SD of Poland was discussed during the second part of the meeting.

13 November

The secretariat of the PZPR Voivodship Committee in Wroclaw sent Wroclaw journalists a letter calling for a very critical, courageous look at the phenomena of daily life in the press and on radio and television. In the letter we find the following, for example: "...The vital, concrete problems of the voivodship's residents, comprising the content of the work of party organization, representative bodies, and social organizations, cannot be supported by press, radio, and television through formal patterns and general

communiques. On the contrary, they should inspire a critical attitude and genuine interchange of arguments and views.

"Each of us comes into daily contact with instances of extravagance, poor management, lack of discipline, laziness, arrogance, and a lack of concern for the common good. We must oppose these phenomena more effectively than we have in the past...We expect you to create a climate of social approval for people who are accomplishing these tasks in a novel, courageous, and responsible way. We also expect you to be open and just in presenting for public assessment the concrete issues, actions, and persons interfering in the effective, rapid attainment of the designated goals.

"We know that in reality and individual facts and reasons are rarely clear and unequivocal. In any dispute the right is not necessarily to be found solely on one side of the plant gate, director's desk, office window, or shop counter. A great deal of perspicacity, objectivity, and honesty is required to avoid confusing a principled stance with demagoguery and the public interest with the interests of individuals or cliques. In resolving related dilemmas it would be worth making greater use of the opinions of your readers, radio audience, and television viewers."

14 November

In Krakow during a joint session of the board of the supreme council of the "Polonia" Society and the Krakow branch of the society, a formal ceremony was held to honor worthy activists with state decorations. Among those receiving awards, Wacław Kaczmarszyk, the assistant editor in chief of PRZEKROJ, was honored with the OOP Cross of Chivalry.

14 November

The Club of Film Criticism of the Polish SD organized up a meeting devoted to the subject: "Satellite Television, a Welcome or Unwelcome Guest From Space" at the Warsaw Journalists House. Brig Gen Lesław Wojtasiński, deputy chief of the Main Political Directorate, Polish Army; Docent Janusz Zygliriewicz of the Communications Institute, and representatives of the Ministry of Communications were club guests.

17-18 November

In Olsztyn there was a journalists' political forum devoted to the Polish reason of state and, against that background, Polish-German relations. The meeting was sponsored by the "Wisła-Odra" Association in cooperation with the Polish SD. The purpose was to interest young journalists in particular in the subject of German studies and the "Wisła-Odra" Association's interest in this activity.

18 November

At the Warsaw Journalists House, the Emigre Poles Club of the Polish SD sponsored a meeting with Ambassador Wojciech Jaskot, secretary general of the

"Polonia" Society for Communication With Poles Abroad. He discussed the 1986 Polish emigre season and presented the society's plans for 1987.

20-21 November

In Katowice the Maritime Journalists Club of the Polish SD sponsored a session devoted to two subjects: the production of ship engines and coal mining using the example of "Murcki," a prominent mine. During the session there were press conferences, a tour of the mine, and meetings with sailors and miners and the leadership of the District Seamen's Union.

24 November

The Sejm passed the draft of a law on collective agreements to replace the old Chapter Eleven of the Labor Code. The law will be effective as of 1 January 1987.

24 November

At the Warsaw Journalists House the Club of Sociopolitical Journalism of the Polish SD sponsored a discussion on the subject: What Is the Journalists Association of the Polish People's Republic and What Should It Be? (We will publish Editor Anna Pawlowska's welcome address and an article on the discussion in the issue).

24 November

At the Warsaw Journalists House, the Polish International Journalism Club of the Polish SD sponsored a meeting with Hungarian Ambassador Dr Gyorgy Biczó and his colleagues. The conversations were devoted to the problems of foreign policy and economic development of Hungary.

25 November

At the capital Center for Czechoslovak Culture and Information, the Warsaw Journalists Club of the Polish SD sponsored a meeting with representatives of the Czech press corps.

26 November

At the Warsaw Journalists House, the Foreign Journalists Club of the Polish SD sponsored a meeting on the subject: Is It Difficult to Be a Journalist Working Abroad? Jan Bisztyga, deputy of the PZPR Central Committee's Propaganda Department; Jan Grzelak, editor in chief of the Interpress Press Agency; Jan Makuoch, director of Radio Polonia; Zbigniew Boniecki, editor in chief of the PAP Foreign Information Bureau; and Roman Barczynski, director of AGPOL, took part in the meeting.

27-29 November

In Lesna Podkowa, the Journalists Center and Emigre Poles Club of the Polish SD sponsored a seminar for journalists dealing with the problems of Poles

abroad. The seminar's program included talks and information about the life and problems of Polish emigre communities in the United States and Australia, Polish emigre press, the latest emigration, the education of emigre Polish college students in Poland, economic cooperation between Poland and Poles abroad, and the activities of the "Polonia" Society.

29 November

In Jablonna outside Warsaw, an international journalists meeting, "Jablonna VI," sponsored by the Polish SD, began. (Reports from this meeting will be published in the February issue of PRASA POLSKA).

30 November

Jerzy Balcerzak was recalled from the position of assistant editor in chief of ROBOTNIK ROLNY.

Supplement

In previous issues, the chronicle omitted some press staff changes. We are publishing here a supplement to this information.

15 September

Juliusz Solecki was appointed director in chief of the National Bureau of the Polish Press Agency.

1 October

Tomasz Milkowski was appointed assistant editor in chief of KULTURA.

15 October

Zbigniew Nichta was removed from his position as editor in chief of POBRZEZE.

15 October

Andrzej Piotrowski was appointed assistant editor in chief of KOMPUTER.

31 October

Edward Gretschel was removed at his own request from the position of director in chief of DZIENNIK POLSKI.

10790

CSO: 2600/431

COMMENTARY ON IMPORTANCE OF OPINION SURVEYS

Warsaw SZPILKI in Polish No 9, 26 Feb 87 p 14

[Article by Klakson: "Ants and Enormous Things"]

[Text] In my kitchen there are red ants. Hundreds of these monsters are wandering around. I learned of this from my family, who raised a shout over this. I am near-sighted and do not see these ants at all. I do not wear my glasses in the kitchen. To see clearly what I am eating would spoil my appetite. Therefore I do not remember the ants and ignore them, but my family is raising an uproar, which still does not do the ants any harm, but it bothers me. If were not for the turmoil, I would have no problem with the ants.

On the national scale, but not in the kitchen, the role my family plays in my house is filled by Lt S. Kwiatkowski of public opinion research. Without him we could live in comfort and peace. He is the glasses through which the authorities see what they would otherwise not notice, or would prefer not to notice. There are also other research centers besides Kwiatkowski's CBOS (Center for Public Opinion Research), but Kwiatkowski as a person is an essential institution. All research is like glasses through which one can view reality, if one takes note of it. Stanislaw Kwiatkowski is an active optical instrument. He does not let the glasses sit on the shelf rather than being taken into the kitchen. He does not allow us not to see and notice. If Stanislaw Kwiatkowski were less bothersome, I would call him the Polish Capitoline goose. It may be that Kwiatkowski is turning out to be one of the two contemporary Poles who in the future will have a monument erected to them in Warsaw. This would be the capitol's second monument of an officer of low rank, but unlike Kilinski, Kwiatkowski has had victory attributed to him.

Free Europe often uses Kwiatkowski's publications on Poles' views as the basis for their talks. It extracts from his research whatever puts Polish relations and attitudes in a bad light, emphasizing the significance of the data in its commentaries. On the other hand, it overlooks whatever does not fit Free Europe's line of propaganda, but when Free Europe started to feed on Kwiatkowski's findings, it became hopelessly entangled. The thing is that the very publishing of the CBOS research findings is contrary to the station's hypotheses that Poland is dominated by lies and that there is no freedom of speech in Poland. On 21 January, Free Europe commented on the research

results published by CBOS concerning 1986 and presented in POLITYKA, saying: "What sort of official information is this being served up by the official mass media? In the opinion of those surveyed, false. The press is lying completely, according to half of those surveyed. The press frequently lies, according to one-third." Free Europe always mixes its own theories in with the research results it gives as false or altered, so that its listening audience thinks that what it is saying on its own is also the result of objective research. Therefore it said, in giving its account on the research report: "Success propaganda has returned. Actually it has not so much returned as been created by successive authorities, because each creates its own propaganda of success."

The trap Free Europe falls into is that the very fact of its citing public opinion research published in POLITYKA contradicts the Free Europe theory that the press lies and that the authorities are conducting a program of success propaganda.

POLITYKA is celebrating its 30th anniversary. On this occasion it has gained greater proof of acclaim than any other political publication, being praised in anniversary letters of congratulations. Subscriptions for 1987 were up 40 percent, to more than 200,000. Because of the limited editions owing to the shortage of paper, 100,000 are left for the sidewalk vendors' stalls.

POLITYKA has always had many friends and many enemies, and it still does. It is not treated with indifference or in utilitarian fashion. That is a great success. People who do not like POLITYKA have various political reasons, always mixed with hatred. Some people are incensed that a communist publication should be so unfailingly popular, coming out of various twists and turns with the unimpaired moral authority of an institution engaged in the formation of a whole generation of intelligentsia actively committed to the life of the country. Others, who are at the opposite political pole, are annoyed that this weekly publication, which has supported the policies of successive teams of leaders, has proved to be sore lasting. It does not fade with each downfall of successive lines and personnel rosters. In this connection, after a stage has passed, POLITYKA is accused of opportunism, although alongside this accusation, before a given stage has passed, these same groups accuse POLITYKA of being overly critical.

The publication's specific political success, which extends over 3 decades, consists in the fact that political groups that dislike POLITYKA always fail. This is what happened in the 1950's (Po prostu), the 1960's, the 1970's, and the 1980's. Those who lost were not only the politicians on the Left who disliked POLITYKA. Previous allies or coworkers of POLITYKA flopped still earlier, when they went over to Solidarity's side in 1980.

Obviously this indestructible power of POLITYKA causes its antagonists to lose. It is the course of history that brings defeat to people with political tendencies contrary to POLITYKA's, and it may even be that it is not always these people who lose, but as tendencies the tendencies do lose. This means that although at various stages and in various matters the publication has not been right, in the long run POLITYKA's line has come out ahead.

POLITYKA is an organization that is lucky. After all, logic is not enough to come out on top. The builders of POLITYKA's current success are not only those who produce it: Bijak, Passent, Szeliga, Podemski, Kleer, Kozniowski, Kaluzynski, and some youngsters whom I do not know. The creators of POLITYKA's success in the 1980's are to a no lesser extent those who left the editorial office after 13 December 1981 or before that: Fikus, Paszynski, Wroblewski, Krallowna, Gielzynski, and a couple of others. This political ballast was too heavy to be carried by Rakowski's delicate hands and thrown overboard. The ballast broke loose on its own and went literally to the bottom, into the slime, darkness, and abyss. Because of this POLITYKA did not come to an end in 1982 but rose again. On the occasion of its 30th anniversary, those who left should be sent high monetary awards. I would urge readers to take up a collection to fund unprecedented awards: for being rid of them.

The red ants in time have turned out to be absolutely ideal creatures as friends of human beings. You put on your glasses, and you can rejoice over them. You take off your glasses, and they cease to exist. I rejoice over the thought of old age. My vision will get worse and worse, and larger and larger creatures will take on the virtue of being ideal friends.

10790

CSO: 2600/431

BRIEFS

'DEMOCRACY' REQUIRES ACTIVE PARTICIPATION--Jerzy Niemiec of TRYBUNA ROBOTNICZA (24-26 December) conducted an interview with Kazimierz Barcikowski, who said this among other things: "In essence democracy is a proposal addressed to citizens: Do you want to participate or not? Of course, if you do not participate, you give up part of your rights to express yourself on general state matters. If this is what you chose, do not make accusations. You are sitting in a corner, so sit in the corner. After all, you are doing it of your own choice. Democracy is for effective people. This is why I am not particularly worried about the fact that somebody does not want to take part in the life of the society. I accept the information, and I have to look around for those who do want to take part in the activity. They want to take onto themselves a share of the responsibility for what is happening in the parish, town, voivodship, or whole country. It is bad when somebody does not want to but stands as a candidate, for example, for a spot on the administration of the cooperative or the people's council anyway. On the other hand, for anyone who wants to take part in sharing in the creation of our reality we must create the best conditions so that he will have both the possibility and a share in participating and deciding. As for the statement 'so that all will want to participate,' I personally hold to the principle that it is always unreal to have a sentence containing the words 'everyone,' 'all,' or 'entire.' There are always active people who take part in most undertakings and those who do not take part in anything." [Article: "Proposal to Participate"] [Text] [Warsaw ZYCIE WARSZAWY in Polish 9 Jan 87 p 3] 10790

JELENIA GORA DEPUTY VOIVOD NAMED--The chairman of the Council of Ministers has named Marian Lazarewicz to be deputy governor of Jelenia Gora Voivodship. Marian Lazarewicz (46 years old) is a graduate of the Moscow Earth Equipment Institute. He has held positions at the Jelenia Gora Mineral Raw Materials Mines from plant director to chief engineer. Up until he was appointed deputy voivodship governor he was director of the Voivodship Investment Directorate in Jelenia Gora. He is chairman of the Commission on Socioeconomic Development, Regional Planning, and Financial Administration of the Voivodship People's Council and social chairman of the voivodship administration of WOT. As deputy voivodship governor, among other things he will have trade, restaurants, services, employment, and budget matters under him. [Text] [Wroclaw GAZETA ROBOTNICZA in Polish 14-15 Feb 87 p 2]

ARMED ATTACK ON PHARMACY--Bielsko-Biala (PAP)--On the evening of 7 February the hunting shop in Bielsko-Biala was broken and entered. The still unknown perpetrator stole three kbks rifles, a hunting horn, and a "bok," a type of double-barrelled gun, along with ammunition. It turned out that the thief

shortened the "bok," turning it into a dangerous sawed-off gun. On the evening of 10 February, bearing this gun, the person held up the pharmacy located at 10 Wisniowa Street in Bielsko-Biala. Using the gun to terrorize the women working there, he demanded they give him drugs. After obtaining what he had asked for, the gunman left the pharmacy. The pharmacy staff informed the regional office of interior affairs in Bielsko-Biala. With the aid of the pharmacy employees a search was begun. After a few hours the perpetrator was apprehended. He was under the influence of the drugs. He turned out to be a 24-year-old who was already known to be an addict. The weapon and ammunition were found on his person along with the drugs stolen from the pharmacy. [Article: "Armed Dope Addict Holds Up Pharmacy"] [Text] [Wroclaw GAZETA ROBOTNICZA in Polish 13 Feb 87 p 4] 10790

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ROMANIA SEEN LAGGING IN EAST BLOC REFORM

Zagreb DANAS in Serbo-Croatian 10 Feb 87 p 5

[Article by Mirko Galic: "The Reform and the Alternatives"]

Why has the Romanian president decided to miss the train of the present reform and remain faithful to a model which has not been yielding results even in his country?

It is perhaps an exaggeration to say that socialism stands at a crossroads, as some people are suggesting, no matter whether they do so sincerely or not. But there is no doubt whatsoever that this is an important phase for it, since far-reaching changes are taking place in almost all the countries with a socialist system; some call it a reform, others a restructuring, and still others an adaptation. In essence it is a question of processes aimed at greater democratization of political life and at more independent operation of the economy.

How broad, far-reaching and in large measure decisive these processes are to "socialism in the 21st Century" is best indicated by the fact that the present currents of reform started in the largest and most populous socialist countries -- the Soviet Union and China. Even the changes of personnel in Peking, which have placed a question mark on the destiny or at least progress of the Chinese reform, do not diminish the force of the impression that the changes started where they were most necessary and where they could have the greatest impact on broader world developments.

The reform has begun a planetary fact: some people support it, others are studying it, some people are encouraging it, others are fearful of it. It is difficult to remain indifferent to the challenges of the Soviet "open slates," or [original reads "but"] the Chinese (until recently ?) enthusiasm for the market economy. Clarifications are more or less expected. Perhaps to some extent one might be confused by the resoluteness of the Czechoslovak "pro" position in view of the marked anti-reform course in that country since the brutal crushing of "Prague Spring." But in the end it is nevertheless a realistic assessment (Strougal: "We have no other choice") that barriers cannot be set up against the winds of reform such as Albania set up long ago and maintains even today or the kind that Romanian President Ceausescu has decided to set up for the present occasion.

What lies at the bottom of the Romanian (that is, Ceausescu's) vote of nay concerning the reform of socialism, any reform, including this current one? A fear that it could not keep pace with its rhythm and that it would fall out of the race? The assessment that the conditions do not exist for democratization of political life? Or a real ideological conviction that "real socialism" is the highest and best stage in its development (who will explain and in what terms the lines in the street, the cold and semi-darkness in apartments, the people fleeing over the border....)?

The speech of the Romanian president, as it has been analyzed, has an anachronistic effect. For him there are three things which socialism cannot tolerate: the market, private owners (even on a small scale) and self-management of enterprises. The fact that state socialism, be it the first, the second or the third, has not found a real answer to the question of people's motivation is not an argument at all in that ideological version of the defense of the status quo. What is more, everything that pertains to the market, everything that pertains to anything private (even on a small scale), represents a "return to the past" and it has nothing whatsoever in common with socialism "even though they are being substantiated by objective patterns."

Without going that far, certain comparisons and analyses of quite fresh views argue against that narrow and apodictic Romanian view. "Lenin himself foresaw," says the Soviet leader Gorbachev, "that life would display and create many diverse forms and methods of building the new society, and would do so only after a number of attempts out of which socialism would subsequently take shape." By contrast with this open approach to socialism, the Romanian president takes the view that all countries, regardless of their specific characteristics, "must respect" the principles of the laws of scientific socialism and communism.

To Ceausescu's sensibility there can be nothing without "intervention of the party in management," nor without its "leading role" as the "pivot of the vital center from which all creative energy should emanate." Without that "it is not possible to commence self-management," nor "revolutionary democracy." Whereas the party is the sole force for that kind of policy, the rotation of personnel is the means of preserving it. A day or two after the case against the reform had been stated, we were to see how that means functions. The question remains: can socialism undergo change and development through a change of cabinet members, and do so in such a way that it becomes more efficient and democratic, so that the workers (and the people) exert the decisive influence in it, not their bureaucracy?

Everyone of course is accountable to himself, to his people and to his working class. It was Yugoslavia that made both a contribution and set an example for that democratic rule of socialism and relations among socialist countries. Perhaps it suits Romania if there is "no shakeup" at all under present circumstances? It is more likely that this suits its leadership, which, according to reports from Bucharest, is facing difficulties and the people's dissatisfaction. Yet it is not likely at all that the changes, whether they are called a reform or some other name, can be postponed without consequences for socialism itself. The alternative to reform could be Albanization. It is

possible (for the moment) in China. Is it also possible elsewhere?

A reform is an attempt to find an answer to the standstill in the development of socialism and to the crisis in quite a few socialist countries. When at the end of the last decade and the beginning of this one capitalism faced a crisis of growth, its ideologues looked for solutions that would transfer the burden of the crisis to the developing countries and to its own working class (the debt policy and wages policy). Socialism does not have that option, nor the need or the interest, of throwing its burden onto someone else's back. It is a question of the undertakings of the reform to liberate those creative forces, especially in the working class and intelligentsia, whose destiny is bound up with socialism's succeeding as a more democratic and fairer society than any before it.

Some countries are moving faster into the reform today; perhaps because they were very late. Some like ours undertook it in good time and have made great progress, but they cannot stand still either, especially since certain earlier capital has been spent. But it will be most difficult for those who have been standing still for a long time and think that they can continue to remain at the same place.

The events of history do not take place in waiting rooms.

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